

CALIFORNIA LEGISLATURE—2025-2026 SIMULATION SESSION

SENATE BILL

NO 29

Introduced by Senator Blakespear
(co-sponsor Senator Allen, McGuire, Stern)

October 1, 2025

An act to create the District 38 Coastal Relocation Incentive Program, encouraging residents in high-risk coastal erosion zones to relocate inland through financial incentives, restricting new development in those zones, and funding research and initiatives to restore the coastline.

LEGISLATIVE COUNSEL’S DIGEST

SB 29, as introduced, Blakespear. District 38 Coastal Relocation Incentives and Restoration.

District 38 faces heightened coastal erosion, bluff collapses, and infrastructure risks, particularly, Del Mar, Encinitas, and San Clemente.

This bill would establish the State District 38 Coastal Relocation Incentive Program, administered by the State Coastal Conservancy in partnership with local governments, to provide tax incentives to residents who voluntarily relocate inland within designated high-risk erosion zones. Residents who relocate within two years will be eligible for a higher tax incentive, while those who relocate within five years will receive the base tax incentive.

The bill would prohibit new residential or commercial development in areas considered high-risk erosion zones. Owners of existing properties in such zones who relocate will retain their recreational use rights for their buildings, provided the safety and access standards are being met.

The bill would also create a *Coastal Restoration Fund* to support research, lead programs, and large-scale initiative such as wetland restoration, wetland restoration, and beach nourishment.

The bill would appropriate one million dollars (\$1,000,000) from the General Fund for relocation incentives, restricted development enforcement, and coastal restoration efforts.

Vote: majority Appropriation: yes Fiscal Committee: yes Local Program: yes

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

SECTION 1. Legislative Findings and Declarations.

- (a) Coastal erosion and bluff collapses present imminent risks to human safety, public infrastructure, and private property in District 38.
- (b) Prohibiting new development in high-risk “danger zones” is necessary to protect lives and reduce future damage.
- (c) Voluntary relocation incentives will allow residents to adapt to climate risks while preserving

recreational coastal access.

(d) Investing in small-scale coastal restoration pilot projects such as wetlands, dunes, and living shorelines is a cost-effective strategy to enhance resilience and attract matching funds.

SEC. 2. Incentive Program and Recreational Property Usage

(a) The *District 38 Coastal Relocation Incentive Program* is hereby established.

(b) The program shall be administered by the State Coastal Conservancy, in partnership with the California Coastal Commission and local governments in San Diego and Orange Counties.

(c) Incentives shall be provided to residents within designated danger zones who voluntarily relocate inland, as follows:

(1) Residents who relocate within two years of program implementation shall receive a relocation bonus of up to \$5,000.

(2) Residents who relocate within five years of program implementation shall receive a relocation bonus of up to \$2,500.

(d) Relocated property owners shall retain the right to use former coastal properties for recreational, non-residential purposes, provided such use complies with safety and public access regulations.

SEC. 3. High Erosion Zone Development Ban and Coastal Mapping Requirement

(a) No new residential, commercial, or mixed-use development shall be permitted within officially designated danger zones in District 38.

(b) The California Coastal Commission shall work with geomorphologists and local governments to map and update danger zones based on erosion and sea level rise data.

SEC. 4. Coastal Restoration Fund

(a) The *Coastal Restoration Fund* is hereby created within the State Coastal Conservancy.

(b) Fund monies shall be used to support research, existing and pilot programs, and small-scale demonstration projects that restore the coastline, including but not limited to:

(1) Wetland restoration.

(2) Dune reinforcement and native vegetation planting.

(3) Beach nourishment and sand replenishment.

(4) Development of “living shorelines” to reduce erosion naturally.

SEC. 5. Appropriations and Fund Allocation

(a) One hundred million dollars (\$1,000,000) is hereby appropriated from the General Fund for the purposes of this act.

(b) Funds shall be divided as follows:

(1) Three hundred thousand dollars (\$300,000) for relocation incentives.

(2) Two hundred thousand dollars (\$200,000) for restricted development enforcement and mapping danger zones.

(3) Five hundred thousand dollars (\$500,000) for the *Coastal Restoration Fund*.

(c) Annual progress reports shall be submitted to the Legislature summarizing program participation, restoration project outcomes, and erosion reduction.

SEC. 6. Effective Date

This act shall take effect January 1, 2026