EXHIBIT D

Public Resources Code § 6312.

Prohibited taking, without tender of fair and just compensation, of lawful improvements on validly granted or patented tidelands or submerged lands; Exceptions; Construction

Neither the state, nor any political subdivision thereof, shall take possession of lawful improvements on validly granted or patented tidelands or submerged lands without the tender of a fair and just compensation for such lawful improvements as may have been made in good faith by the grantee or patentee or his successors in interest pursuant to any express or implied license contained in the grant or patent.

Nothing herein contained shall be deemed to prevent the parties to a grant or patent of tidelands from agreeing, as a part of such grant or patent, that there shall be no compensation paid for any improvement made on those tidelands to which such agreement relates.

Nothing herein contained is intended to increase, diminish, or affect the title of any person in any validly granted or patented tidelands or submerged lands.

This section shall not be construed to require compensation for any change in the use of tidelands or submerged lands as a result of governmental regulation that prohibits, restricts, delays, or otherwise affects the construction of any planned or contemplated improvement.

As used in this section, the term "grant" or "granted" shall not be construed to apply to legislative grants in trust to local governmental entities.