



-VIA ELECTRONIC MAIL-

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MEMORANDUM

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TO: Stacy Taylor, Mesa Water District
FROM: Dennis K. Albani, Anthony Molina, California Advocates, Inc.
SUBJECT: April Report

Following Spring Recess, the legislature returned to Sacramento and is operating at full speed. The Senate and the Assembly are both knee deep policy hearings as the next major legislative policy deadline for bills to be acted upon is April 30th. The month of April is heavily focused on policy hearings before shifting focus to the fiscal committee hearings in May.

Simultaneously, the Legislature is also gearing up for the “regular budget action” to begin on the 2021-2022 state budget. To date, there is no agenda to resume budget sub-committee hearings, however, once this does take place, legislators and stakeholders will be working to add priority items into budget tailer bills. There are several outstanding issues that remain open and need to be acted upon in the budget, which includes wildfires, water, habitat restoration, and climate resiliency.

And lastly, there is no shortage of political news coming from Sacramento, as Assemblymember Rob Bonta’s nomination passed the Legislature to be CA’s next Attorney General; former Assemblymember Sydney Kamlager is now a state Senator after winning a Special Election to replace, newly elected Los Angeles County Board of Supervisor Holly Mitchell; Dr. Akilah Weber is a newly elected Assemblymember, after winning a Special Election to fill her mother’s vacant seat from being appointed to be the new California’s Secretary of the State; And an announcement regarding the qualification of the gubernatorial recall will likely be made within the next week. Registrars in the state’s 58 counties must submit a new tally of recall petition signatures on Monday, April 26th in advance of the final signature verification deadline April 29th. Stay tuned!

ACWA Sponsored Legislation Update “Water and Sewer Service”

Mesa Water District continues to be very active on this legislation. Mesa Water District has taken a “support if amended” position on the bill and is leading a like-minded stakeholder coalition of water agencies on the issue. Mesa Water District has drafted amendments to the bill and have presented them to the author’s office. Mesa Water District is waiting for a reply from the author’s office on the amendments.

The proposed amendments are intended to protect the interests and rights of all public water and sewer agency ratepayers including small not-for-profit private suppliers in California; and, strike a sensible balance between sufficiently limiting public water and sewer agencies’ financial

and legal exposure while providing transparency and responsibility to ratepayers including small not-for-profit private suppliers, so that they understand the new time restrictions for challenging an agency's rates if they believe they were not lawfully enacted.

Mesa Water District will continue to lead the coalition and work to get the proposed amendments included in SB 323.

SB 323 (Caballero) Local government: water or sewer service: legal actions.

This bill would authorize a local agency or interested person to bring a validation action in a superior court to determine the validity of a fee or charge for water and sewer service. The proposal would require an interested party bring an action within 120 days after the local agency adopts the fee or charge. Mesa Water District has requested amendments

Status: Senate Floor – 3rd Reading

Position: Support, if amended

California Coastkeeper Alliance Sponsored Legislation “Clean Water Act”

This is another bill that has caught the attention of water districts, dischargers, and industry. We have met with the author's office, sponsors, and other stakeholders with questions and concerns. It is a very aggressive measure that may reduce the regional and state water board's ability to balance the interests of water quality improvement with cost-benefit. The author's office recently amended the bill on April 13, 2021, however, it's still very problematic.

AB 377 (Rivas) Water quality: impaired waters.

This bill would require all California surface waters to be fishable, swimmable, and drinkable by January 1, 2050. The bill would prohibit the state board and regional boards from authorizing an NPDES discharge, or a waste discharge requirement or waiver of a waste discharge requirement for a discharge, to surface water that causes or contributes to an exceedance of an applicable water quality standard in receiving waters, or from authorizing a best management practice permit term to authorize a discharge to surface water that causes or contributes to an exceedance of an applicable water quality standard in receiving waters.

Status: Assembly Appropriations Committee, hearing date TBD.

Position: Oppose

Bonds

We are actively engaged in both the Senate and Assembly bond conversations on behalf of Mesa Water District. We are participating in ACWA working groups and testifying in policy committees. ACWA did accept Mesa Water District's specific ask to include \$150 million for projects and competitive grants for brackish and seawater desalination projects. We will now work to have this language included in the bond proposal. Both bond proposals will be amended various times before there is a final agreement.

SB 45 (Portantino) Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2022.

This bill would enact the Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2022, which would authorize the issuance of bonds in the amount of

\$5,510,000,000 to finance projects for a wildfire prevention, safe drinking water, drought preparation, and flood protection program.

Status: Senate Appropriations

Position: Support, if amended

AB 1500 (E. Garcia) Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022.

This bill would enact the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022, which would authorize the issuance of bonds in the amount of \$6,700,000,000 to finance projects for safe drinking water, wildfire prevention, drought preparation, flood protection, extreme heat mitigation, and workforce development programs.

Status: Assembly Natural Resources Committee, hearing date TBD.

Position: TBD (Possible Support, if amended, consistent with ACWA's proposed amendments)

2021 Legislative Tracking

SB 222 (Dodd) Water Affordability Assistance Program.

This bill would establish the Water Affordability Assistance Fund in the State Treasury to help provide water affordability assistance, for both drinking water and wastewater services, to low-income ratepayers and ratepayers experiencing economic hardship in California. The bill would make money in the fund available upon appropriation by the Legislature to the state board to provide direct water bill assistance, water bill credits, water crisis assistance, affordability assistance, and short-term assistance to public water systems to administer program components.

Status: Senate Environmental Quality Committee – April 29th

Position: Oppose Unless Amended

SB 223 (Dodd) Discontinuation of residential water service.

The bill would require the State Water Resources Control Board (Board) to provide technical assistance to very small community water systems. The bill would require the Board to establish a bridge loan program to assist very small community water systems that may suffer revenue loss or delayed collection while complying with this chapter. To the extent funding is available, partial loan forgiveness would be made available to systems that offer debt forgiveness to low-income residents with past due accounts. This bill would also require an urban water supplier and an urban and community water system to update policies to comply this chapter by July 1, 2022.

Status: Senate Environmental Quality Committee – April 29th

Position: Oppose

AB 361 (Rivas) Open meetings: local agencies: teleconferences.

This bill would authorize a local agency to use teleconferencing without complying with the teleconferencing requirements imposed by the Ralph M. Brown Act when a legislative body of a local agency holds a meeting for the purpose of declaring or ratifying a local emergency, during a declared state or local emergency, when state or local health officials have imposed or recommended measures

to promote social distancing, and during a declared local emergency provided the legislative body makes certain determinations by majority vote.

Status: Assembly Local Government – May 5th

Position: Support

AB 339 (Lee) State and local government: open meetings.

This bill will require all meetings to include an opportunity for members of the public to attend via a telephonic option and an internet-based service option. The bill would require all meetings to include an in-person public comment opportunity, except for circumstances during a declared state or local emergency. The bill would require all meetings to provide the public with an opportunity to comment on proposed legislation in person and remotely via a telephonic and an internet-based service option. The bill would also require the legislative bodies of the local agency to provide interpretation services as requested and have a system to process requests for interpretation services and publicize that system online.

Status: Assembly Local Government Committee – April 28th

Position: Watch

AB 588 (E. Garcia) California Safe Drinking Water Act: compliance.

This bill would authorize the State Water Resources Control Board (Board) to set a period from 30 days to three years for reaching compliance with a new drinking water regulation. The bill would also require the Board to identify actions to assist water systems to achieve compliance with a new regulation.

Status: Assembly Environmental Safety and Toxic Materials Committee, hearing date TBD.

Position: Support

AB 703 (Rubio) Open meetings: local agencies: teleconferences.

This bill will eliminate the previously existing concept of “teleconference locations”; will revise existing law to ensure minimum standards for public participation; and will revise notice requirements to allow for greater public participation in teleconference meetings of local agencies. The bill does not require teleconferencing but modernizes existing law to ensure greater public participation in meetings of the legislative bodies of local agencies which choose to utilize teleconferencing.

Status: Assembly Local Government, hearing date TBD.

Position: Support

AB 1434 (Friedman) Urban water use objectives: indoor residential water use.

This bill would incrementally lower the indoor water use standard starting January 1, 2023, to reach a standard of 40 gallons per capita daily (GPCD) starting in 2030. The bill also removes the requirement for the Department of Water Resources, in consultation with the State Water Resources Control Board, to submit a report on the result of its indoor water use studies and make recommendations regarding the existing standards.

Status: Assembly Water, Parks and Wildlife – April 26th

Position: Oppose

Budget

“Early Action” Wildfire Package Signed by Governor

Ahead of peak fire season, Governor Newsom signed a \$536 million dollar “early action” budget bill (SB 85) to address wildfire prevention and resilience issues. The total package includes \$411 million coming from the General Fund and \$125 million coming from the Green House Gas Reduction Fund (Cap-and-Trade). The funding was broken down into the following five areas:

- Resilient Wildlands – \$283 million
- Wildfire Fuel Breaks – \$198 million
- Community Hardening – \$27 million
- Science-Based Management – \$3 million
- Forestry Sector Economic Stimulus – \$25 million

This wildfire funding package was recognized by many legislators as not being enough money to address this issue and rather as a down payment. More resources will be coming in this year’s budget for wildfire and climate resilience.

Open Items for Water

Below is a list of budget items that remain active in the 2021- 2022 state budget negotiations. We are actively monitoring and engaging in positive dialogue on the topics below. Please let us know if you have any questions or concerns.

Sustainable Groundwater

\$60 million one-time General Fund (\$30 million in 2020-21 and \$30 million in 2021-22) for grants to support local planning and implementation of Groundwater Sustainability Plans across critically over-drafted basins. **(Held Open)**

Protecting California’s Rivers, Streams and Watersheds Program (Voluntary Agreements)

\$125 million in Prop 68 Funds for habitat restoration projects along the Sacramento and San Joaquin Rivers. **(Held Open)**

Safe and Affordable Drinking Water

\$130 million includes funding necessary to maintain full implementation of the Safe and Affordable Drinking Water Program. **(Held Open)**

Regulatory

- The California Department of Water Resources (DWR) announced an adjustment to its initial State Water Project (SWP) allocation for the 2021 water year. The department now expects to deliver 5 percent of requested supplies this year, down from the initial allocation of 10 percent announced in December. Initial allocations are based on conservative assumptions regarding hydrology and factors such as reservoir storage. Allocations are reviewed monthly and may change based on snowpack and runoff information. They are typically finalized by May. Ongoing drought conditions require the coordination of federal, state, and local agencies. The U.S. Bureau of Reclamation, which operates the Central Valley Project, is also adjusting its initial CVP water supply allocation accordingly. The State Water Resources Control Board mailed early warning notices to approximately 40,000 water right holders urging them to plan for potential shortages by reducing water use and adopting practical conservation measures.

- The California Natural Resources Agency has announced upcoming dates for their regional workshops to engage the public on Governor Newsom’s Executive Order on Nature-Based Solutions (N-82-20). The workshops will provide input on meeting the State’s commitment to conserve 30 percent of California’s lands and coastal waters by 2030 and accelerate nature-based solutions to address climate change. Registration and participant information can be found [HERE](#).
- The Governor made the following appointments:
 - **E. Joaquin Esquivel, 38, of Sacramento, has been reappointed to the State Water Resources Control Board, where he has served since 2017 and serves as Chair.** Esquivel was Assistant Secretary for Federal Water Policy at the California Natural Resources Agency from 2015 to 2017. He served in the Office of U.S. Senator Barbara Boxer from 2007 to 2015 as a Research Assistant, Legislative Aide and Legislative Assistant for Native American, water and agriculture issues and as Director of Information and Technology. Esquivel was a Center Youth Manager at Gay Associated Youth from 2002 to 2004.
 - **Grant A. Mack, 31, of Sacramento, has been appointed Director of the Office of Governmental Affairs at the California Public Utilities Commission,** where he has served as Acting Director of the Office of Governmental Affairs since 2021 and Senior Legislative Consultant since 2016. Mack held multiple positions at the California Energy Commission from 2011 to 2019, including Chief Policy Advisor to Chair Robert Weisenmiller, Energy Policy Advisor and Executive Fellow.
 - **Nancy L. Vogel, 53, of Sacramento, has been appointed Deputy Secretary for Water at the California Natural Resources Agency,** where she has been Director of the Governor’s Water Portfolio Program since 2019 and was Deputy Secretary of Communications from 2015 to 2017. Vogel was Director of Communications at Resources Legacy Fund from 2017 to 2019, Assistant Director of Public Affairs at the California Department of Water Resources from 2012 to 2015 and Principal Consultant at the California Senate Office of Oversight and Outcomes from 2008 to 2012.
 - **Beatriz E. Gonzalez, 52, of Indio, has been appointed to the Colorado River Basin Regional Water Quality Control Board.** Gonzalez has served as District Coordinator of Expanded Learning Programs at the Coachella Valley Unified School District since 2011 and has served in several positions there since 1995, including Para-Educator for Special Education, Program Specialist for Bright Futures and as a Community Liaison for Healthy Start.
 - **Vivian E. Perez, 59, of Holtville, has been appointed to the Colorado River Basin Regional Water Quality Control Board.** Perez has been Center Manager at Planned Parenthood of the Pacific Southwest since 2016 and a Faculty Member at the University of Phoenix since 2010. She was a Provider Network Consultant at Fresenius Health Partners from 2016 to 2017. Perez was Operations Manager at Fresenius Medical Care North America from 2012 to 2014. She was a Commissioner for the Imperial Valley Housing Authority appointed by the City of Holtville from 1997 to 2013.

Important Dates and Deadlines for 2021

April

- Apr. 30 – Last day for policy committees to meet and report to fiscal committees’ fiscal bills introduced in their house.

May

- May 7 – Last day for policy committees to meet and report to the floor non-fiscal bills introduced in their house.
- May 14 – Last day for policy committees to meet prior to June 7.
- May 21 – Last day for fiscal committees to meet and report to the floor bills introduced in their house. Last day for fiscal committees to meet and report to the floor bills introduced in their house.
- May 31 – Memorial Day

June

- Jun. 1-4 – Floor session only. No committee may meet for any purpose except Rules Committee, bills referred pursuant to A.R. 77.2, and Conference Committees.
- Jun. 4 – Last day for each house to pass bills introduced in that house.
- Jun. 7 – Committee meetings may resume.
- Jun. 15 – Budget Bill must be passed by midnight.

July

- Jul. 2 Independence Day observed
- Jul. 14 Last day for policy committees to meet and reports bills.
- Jul. 16 Summer Recess begins upon adjournment.