



-VIA ELECTRONIC MAIL-

June 18, 2021

MEMORANDUM

*Michael D. Belote*

TO: Stacy Taylor, Mesa Water District

*Dennis K. Albiani*

FROM: Dennis K. Albiani, Anthony Molina, California Advocates, Inc.

*Faith Lane Borges*

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SUBJECT: June Report

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*Anthony Molina*

Several activities have occurred in Sacramento since our last legislative report. The Legislature has hit major milestones for the year which include, the Governor's May Revision, the fiscal deadline, and the "House of Origin" deadline for legislation. The "House of Origin" deadline requires all bills to be passed out of their respective houses to remain active for the year or they become two-year bills. With last month's announcement from legislative leadership, legislators must now choose which twelve bills they would like to move forward with for the remainder of the year. As of last week, second house policy committees have begun and bills are moving through the second half of the legislative process.

Additionally, the Legislature passed the 2021-2022 Budget bill ([AB 128](#)) a day early, which has been sent to Governor Newsom's desk for signature or veto by the start of the new fiscal year. Lawmakers reached their Constitutional deadline and will not forgo pay for the 11<sup>th</sup> straight year in a row. The Budget that was sent to Governor is an agreement between the Senate and Assembly and is mainly considered a framework to shape negotiations moving forward on the Budget Bill Jr. and budget trailer bills. Over the next few weeks, legislative leaders and the Governor will come to a final agreement on a balanced state budget which will also include specific funding appropriations.

As both the legislative and budget process progress, we commit to proactively engaging on behalf of Mesa Water District and providing timely updates as we received important information.

**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 continues to lead a coalition of water agencies on the issue. Mesa Water District advocates have been meeting with all policy committee staff within the Legislature and the appropriate policy committee consultants and legislators on both the Assembly Local Government Committee and Assembly Judiciary Committee. The bill has currently passed out of the Assembly Local Government Committee and will be heard next in the Assembly Judiciary Committee where the committee consultant is seeking to make amendments around the issues Mesa Water District has presented to make this legislation more transparent for the ratepayer. 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.

**Status: Assembly Judiciary Committee**  
**Position: Support, if amended**

### **California Coastkeeper Alliance Sponsored Legislation “Clean Water Act”**

This was a very aggressive measure that would have reduced the regional and state water board’s ability to balance the interests of water quality improvements with cost-benefit. The bill was pulled from the Assembly Appropriations Committee before the “Suspense File” hearing and was made a two-year bill. The author’s office amended the bill three times and it remained very problematic for water districts, dischargers, and industry. Mesa Water played an important role advocating for amendments and for the bill to be held when adequate amendments were not included.

**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: Two-year bill**  
**Position: Oppose**

### **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: Assembly Utilities & Energy Committee**  
**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: This bill is dead.**

**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: Senate Governance and Finance Committee**

**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: Senate Rules, pending referral**

**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: Two-year bill**

**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: Two-year bill**

**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: Two-year bill**

**Position: Oppose**

**Budget**

**CA Legislature Passes On-time Budget and Sends to Governor Newsom**

As stated above, the Legislature passed their “two-party” agreement of the state’s Budget this week and sent it to Governor Newsom. The “Big 3” will now negotiate for a final budget compromise. Please see the full summary of the Legislature’s Floor Report of the 2021-22 State Budget [HERE](#).

**Governor Newsom Announces \$5.1 Billion for Water Infrastructure and Drought**

Governor Newsom proposed a \$5.1 billion dollar package of immediate drought response and long-term water resilience investments to address immediate, emergency needs, build regional capacity to endure drought and safeguard water supplies for communities, the economy, and the environment. The Governor’s proposal comes as part of the Administration’s comprehensive recovery plan tackling the most persistent challenges facing California. In addition to the \$5.1 billion investment, the Governor is proposing \$1 billion to help Californians pay their overdue water bills. The Governor announced the package in Merced County while visiting the San Luis Reservoir, which sits at less than half of capacity.

The Governor’s \$5.1 billion proposed investment, over four years, aligns with his July 2020 Water Resilience Portfolio, a roadmap to water security for Californians in the face of climate change. It is shaped by lessons learned during the 2012-16 drought, such as the need to act early and gather better data about water systems. Specifically, the package includes the following:

- \$1.3 billion for drinking water and wastewater infrastructure, with a focus on small and disadvantaged communities.
- \$150 million for groundwater cleanup and water recycling projects.
- \$300 million for Sustainable Groundwater Management Act implementation to improve water supply security, water quality and water reliability.
- \$200 million for water conveyance improvements to repair major water delivery systems damaged by subsidence.
- \$500 million for multi-benefit land repurposing to provide long-term, flexible support for water users.
- \$230 million for wildlife corridor and fish passage projects to improve the ability of wildlife to migrate safely.
- \$200 million for habitat restoration to support tidal wetland, floodplain, and multi-benefit flood-risk reduction projects.
- \$91 million for critical data collection to repair and augment the state’s water data infrastructure to improve forecasting, monitoring, and assessment of hydrologic conditions.
- \$60 million for State Water Efficiency and Enhancement Program grants to help farmers reduce irrigation water use and reduce greenhouse gas emissions from agricultural pumping.

- \$33 million for fisheries and wildlife support to protect and conserve California’s diverse ecosystems.
- \$27 million for emergency and permanent solutions to drinking water drought emergencies.

### **Senate Budget Plan on Drought, Safe Drinking Water, Water Supply Reliability, and Ratepayer Assistance**

Senate Democrats laid out a \$3.41 billion plan to address the statewide drought conditions. The plan would direct \$3.41 billion in federal and state funds—a combination of one-time federal dollars from the American Rescue Plan, one-time dollars from the General Fund, and an acceleration of General Obligation Bonds.

A diverse array of investments would provide drought relief through community-based drinking water and water supply projects, water-use efficiency projects, and sustainable groundwater management; improve water supply reliability; and assist California families, businesses, and utilities by addressing the backlog of bills and arrearages that have accumulated through the pandemic.

Specifically, the following funds are included in the Senate’s plan:

- \$1 billion helping ratepayers, community water systems, wastewater treatment works, and public utilities recover from COVID-19 economic impacts.
- \$500 million in immediate community assistance for water and drought relief.
- \$500 million emergency drought water-use efficiency.
- \$350 million sustainable groundwater management.
- \$200 million resilient water infrastructure projects.
- \$200 million recycled water.
- \$200 million stormwater management.
- \$285 million protecting fish & wildlife from drought impacts.
- \$100 million water quality.
- \$75 million water data and forecast improvement.

### **Regulatory**

- On Thursday, the Occupational Safety and Health Standards Board voted to adopt revised COVID-19 Prevention Emergency Temporary Standards that reflect the state’s latest COVID-19 public health order. Governor Newsom then signed an executive order enabling the revisions to take effect without the normal 10-day review period by the Office of Administrative Law – providing clarity and consistency for employers and employees as California fully reopens its economy. The emergency regulations will take effect upon their filing with the Secretary of State. A copy of the Governor’s executive order can be found [HERE](#). Among other updates, Cal/OSHA’s revisions align with the [latest](#) guidance from the California Department of Public Health – based on guidelines issued by the Centers for Disease Control and Prevention – on face coverings and eliminate physical distancing requirements, except for certain employees during outbreaks. Unless they show symptoms, fully vaccinated employees do not need to be offered testing or be excluded from work after close contact with a COVID-19-positive person.
- The Governor made the following appointments:
  - **Nichole S. Morgan, 46, of Sacramento, has been appointed to the State Water Resources Control Board**, where she has been Assistant Deputy Director of Financial

Assistance since 2019 and served in several positions from 2009 to 2019, including Supervising Water Resources Control Engineer in the Division of Financial Assistance, Water Resources Control Engineer in the Division of Water Rights and in the Office of the Delta Water Master, and Water Resources Control Engineer in the Division of Financial Assistance.

- **Moisés Moreno-Rivera, 30, of Sacramento, has been appointed Assistant Secretary for Equity and Environmental Justice at the California Natural Resources Agency.** Moreno-Rivera has been Assistant Tribal Liaison for the State Water Resources Control Board since 2019, where he served as an Environmental Justice Specialist from 2018 to 2019. He was Central Coast Program Coordinator at the Environmental Justice Coalition for Water from 2017 to 2018, Graduate Assistant for Multicultural and Diversity Affairs at the University of Florida from 2015 to 2017 and Human Rights Instructor at the Torres Martinez Desert Cahuilla Indians Education and Library Center from 2013 to 2015.
- The Senate Rules Committee made the following appointment:
  - Senator Connie Leyva as an ex-officio member of the California Air Resources Board, joining Assemblymember Eduardo Garcia as the second of two legislators who serve as non-voting members of the 16-member board.

### **Important Dates and Deadlines for 2021**

#### **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.

#### **August**

- Aug. 16 – Legislature reconvenes from Summer Recess.
- Aug. 27 – Last day for fiscal committees to meet and report bills.
- Aug. 30 – Sept. 10 – Floor session only. No committee may meet for any purpose except Rules Committee.

#### **September**

- Sept. 3 – Last day to amend bills on the floor.
- Sept. 6 – Labor Day Observed
- Sept. 10 – Last day for any bill to be passed. Interim Recess begins upon adjournment.

#### **October**

- Oct. 10 – Last day for Governor to sign or veto bills passed by the Legislature.