The background of the slide is a grayscale image of the California state flag on the left and the California State Capitol dome on the right. The flag features a bear, a star, and the text "CALIFORNIA REPUBLIC".

STATE LEGISLATIVE UPDATES & POSITIONS

May 2024

2024
SPRING
ACWA
CONFERENCE & EXPO

May 6th-9th





Capitol Annual Frog Jump

Mountain Counties Water Resources Association

LOBBY DAY
May 15, 2024



Senator Shannon Grove's Office



MCWRA LOBBY DAY

Calaveras County Lobby Group

Daniel Berlant, CalFire State Fire Marshal

Senator Shannon Grove (Kern County)

Governor's Office

Mike McGuire, Senate President Pro Tempore (Sonoma County)


Senator Marie Alvarado-Gil

Nancy Vogel, Deputy Secretary, CA Natural Resources Agency

Assemblymember Diane Papan, Chief Consultant, Assembly for

Water, Parks & Wildlife (San Mateo County)

Senator Dave Min (Orange County)




Water Infrastructure Improvements to Enhance Fire Resilience in Rural Communities.

- Establish a Rural & Small Community Fire Resilience Program within the OES & coordinate with DWR & SWRCB.
- Develop a program for the distribution of state matching funds to communities within Wildland Urban Interfaces (WUI).
- Improve water infrastructure.
 - Upgrading and upsizing waterlines
 - Installing additional fire hydrants of water systems.
 - Enhancing water system delivery ensure adequate fire flow.

SB 1088 (Alvarado-Gil)

SUPPORT

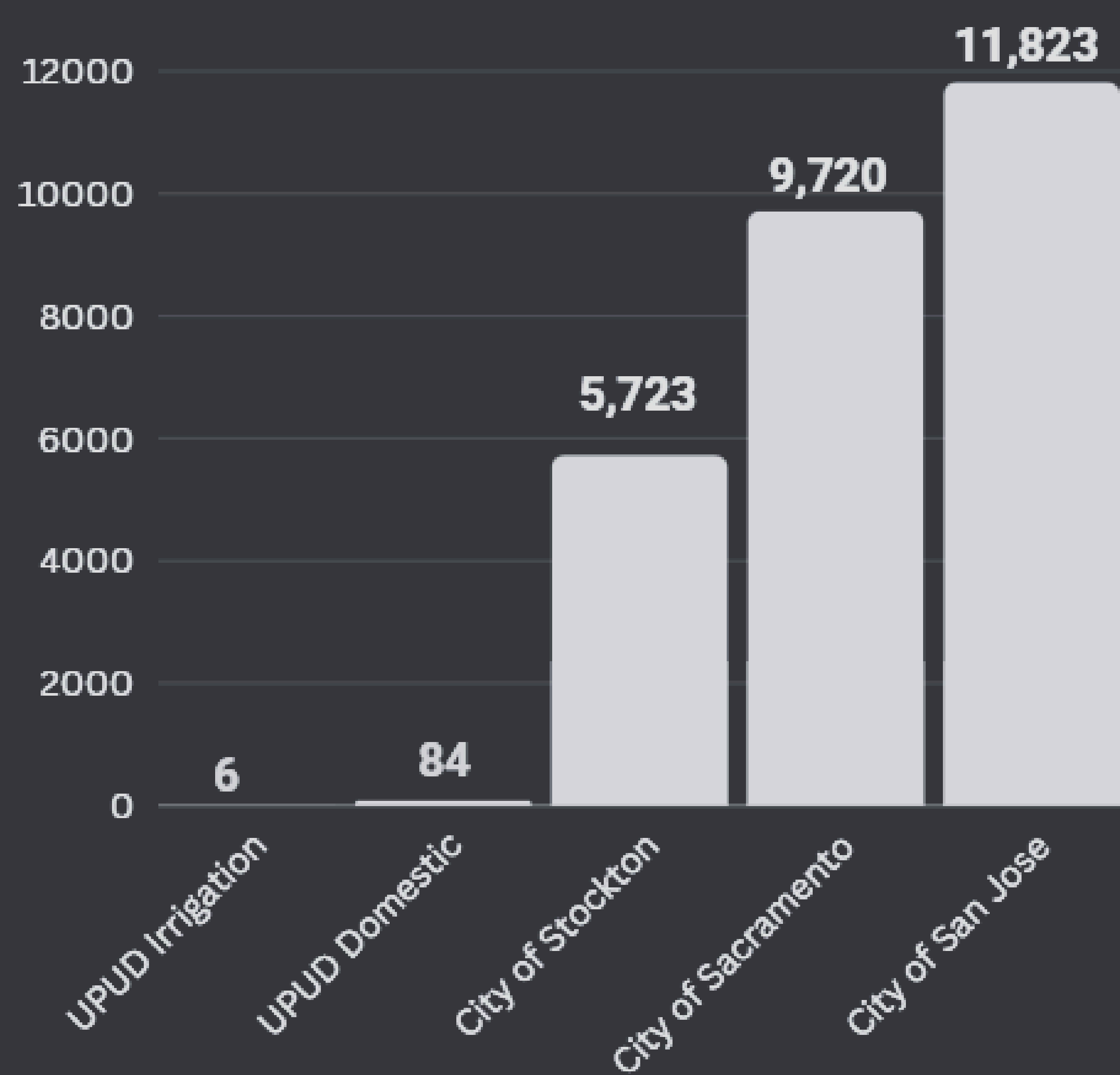


Establish the Urban Water Community Drought Relief program and the Small Community Drought Relief program

- The DWR would house these programs, if adopted.
- Provide grants for drought relief.
 - Reduction of wildfire risks for entire communities.
 - Water delivery system improvements for fire suppression purposes.
 - Projects target high fire hazard severity zone communities as designated by the State Fire Marshal or local fire agencies.

SB 470 (Alvarado-Gil)

SUPPORT

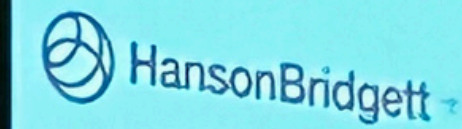


AB 1255 (Durazo)

SUPPORT

Water Affordability for Small Communities.

- The State would provide a 20% discount for low-income households.
- Water systems with fewer than 3,000 service connections would qualify.
- Aims to help small communities meet a specified affordability threshold.



The Looming Crisis in Rate Setting

ACWA 2024 Spring Conference & Expo

May 8, 2024

SPEAKERS:

- KRIS ANDERSON, ESQ., ACWA
- DEAN ATYIA, ESQ., BEST BEST & KRIEGER
- CLAIRE COLLINS, ESQ., HANSON BRIDGETT LLP
- MOLLY MACLEAN, ESQ., MARIN MUNICIPAL WATER DISTRICT
- NICHOLAS WHIPPS, ESQ., SAN FRANCISCO CITY ATTORNEY'S OFFICE

Protect Water Rates

- California Constitution includes a public notice and majority protest procedure for potential increases to water rates (Proposition 218 Omnibus Implementation Act).
- Under Prop 218, there are specific procedures and parameters the agency must adhere to.
- This bill would prohibit, if a local agency complies to all procedures, any individual or entity from initiating legal action alleging noncompliance with constitutional provisions regarding new or increased rates.
- Prohibition will apply unless the individual or entity has previously submitted a written objection to the local agency in a timely manner, as specified.

AB 2257 (Wilson)

SUPPORT

~~*refund*~~

SB 1072 (Padilla)

SUPPORT

Refunds without Statute

- Should a court rule a service fee, including water or sewer charges to contravene Proposition 218, the local agency is obligated to amend the fee during the subsequent rate review.
- The agency will deduct the identified violation amount from the total revenue required for these services.
- As a result, agencies will not be forced to pay out refunds to rate payers. Instead, the cost will be deducted from the future rate study.

Climate Resilience Bond

SUPPORT

advocacy for water infrastructure for Rural California and WUI communities

Potential Bond Measure on the November 5, 2024 ballot supporting California's Climate Resilience

- Three bonds are being discussed: Housing, Education, and Climate Resilience
- Current Rank:
 1. Education
 2. Climate Resilience
 3. Housing
- If Climate Resilience moves forward, the bond is estimated to be around \$5-8 Billion.
- A portion of the bond aims to fund infrastructure investments for water and drought preparedness

2023 FAILED TO ADVANCE

UPUD Adopted an Opposed Stance 6/2023

AB 460 (Bauer-Kahan)

OPPOSE

Strengthen the SWB's enforcement powers to stop illegal water diversions and would sharply increase fines for violators.

Prevent violation that occurred in Shasta River Watershed when farmers & ranchers defied curtailment orders.

- Grant SWB new, sweeping authority to issue interim relief orders without hearing.
- Impose new costly requirements.
- SWB ability to curtail diversions, impose new minimum streamflow requirements.
- Allow SWB to increase fish flows, direct reservoir operations, and require new technical studies.

2023 FAILED TO ADVANCE

UPUD Adopted an Opposed Stance 6/2023

AB 1137 (Wicks)

OPPOSE

Clarify that the State Water Board has authority to issue curtailment orders for all diverters, including **Senior Right Holders**.

Drafted in response to a recent decision, suggesting it is up to the Legislature to determine if it is time to update curtailment laws.

- Authorize the SWB to adopt wide-ranging regulations.
- Curtailment to water use under ANY CLAIM of right, including senior water rights.
- SWB can eliminate hearings before issuing curtailments as they see fit.
- Ultimately eliminating due process.

Taxpayer Protection & Government Accountability Act

- Included on the ballot for November 2024
- Statewide initiative measure to amend the California Constitution.
- Sponsored by the California Business Roundtable (CBRT).

Ballot Initiative 21-0042A1

OPPOSE

UPUD Adopted an Opposed Stance 3/2023



What is BI-210042A1?

Consequential Proposal for Public Agencies

Public agencies would face a drastic rise in litigation that could severely restrict their ability to meet essential services and infrastructure needs.

- Change of Proposition 218 Fees: Redefined to be the minimum amount necessary to provide services. Potentially preventing the ability to save for the future including:
 - Reserves
 - Projects implemented in 3-5 years.
- Clear and convincing evidence for the need of services, with a higher legal threshold.
- Fees must be "reasonable" to the ratepayers. The term is currently undefined.

Ballot Initiative 21-0042A1

OPPOSE

UPUD Adopted an Opposed Stance 3/2023

What is BI-210042A1?

POTENTIAL IMPACTS



UPUD would have to conduct a rate study every year and the board would adopt rates every year.



Restricting local services and infrastructure to the lowest and minimum amount possible will disproportionately impact the most underserved communities the hardest.



Prevents critical investments in climate adaptation and community resilience to address drought, flooding, and wildfire as well as reduce emissions and harmful pollutants.

Ballot Initiative 21-0042A1

OPPOSE

UPUD Adopted an Opposed Stance 3/2023

CONCLUSIONS

STAFF RECOMMEND SUPPORTING:

- SB 1088 (Alvarado-Gil): Water Infrastructure Improvements to Enhance Fire Resilience in Rural Communities
- SB 470 (Alvarado-Gil): Establish Small Community Drought Relief & Urban Water Community Drought Relief Programs
- AB2257 (Wilson): Rate Protection
- AB 1255 (Durazo): Water Affordability
- SB 1072 (Padilla): No Refunds without Statute
- Support Climate Resilience Bond Advocacy for water infrastructure funding for WUI and rural California communities.

Watch Stalled Water Rights Bills

Get ready for Ballot Initiative 21-0042A1 on the November Ballot