



AGENDA
Legislative Advocacy Committee

Thursday, March 20, 2025, at 10:00 a.m. | *Virtual Meeting*

COMMITTEE MEMBERS	STAFF	<u>Mission Statement</u>
<i>Ian Oglesby – Chair Kate Daniels Karen Paull George Riley - Alternate</i>	<i>David J. Stoldt, General Manager Sara Reyes, Board Clerk</i>	Sustainably manage and augment the water resources of the Monterey Peninsula to meet the needs of its residents and businesses while protecting, restoring, and enhancing its natural and human environments. <u>Vision Statement</u> Model ethical, responsible, and responsive governance in pursuit of our mission. <u>Board's Goals and Objectives</u> Are available online at https://www.mpwmd.net/who-we-are/mission-vision-goals/

Join the meeting at:

<https://mpwmd-net.zoom.us/j/83908790258?pwd=GqO4ipqbHEll52QPbazbcHwBH798ML.1>

Webinar ID: **839 0879 0258** | Password: **031025** | To Participate by Phone: **(669) 900-9128**

For detailed instructions on how to connect to the meeting, please click the link below:

<https://www.mpwmd.net/instructions-for-connecting-to-the-zoom-meetings/>

Copies of the agenda packet are available for review on the District website (www.mpwmd.net) and at 5 Harris Court, Bldg. G, Monterey, CA.

Call to Order / Roll Call

Additions and Corrections to the Agenda

Comments from Public – *The public may comment on any item within the District's jurisdiction. Please limit your comments to three (3) minutes in length.*

Action Items – *Public comment will be received. Please limit your comments to three (3) minutes per item.*

1. Consider Adoption of Committee Meeting Minutes from September 30, 2024

Discussion Items – *Public comment will be received. Please limit your comments to three (3) minutes per item.*

2. Report from The Ferguson Group on Federal Legislative and Regulatory Activities
3. Report from JEA & Associates on Legislative Status and Bill Tracking

4. General Manager’s Report on Proposed Legislation – Three Items
5. Schedule next meeting

Suggest Items to be Placed on Future Agendas

Adjournment

Accessibility

In accordance with Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), MPWMD will make a reasonable effort to provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. MPWMD will also make a reasonable effort to provide translation services upon request. Please send a description of the requested materials and preferred alternative format or auxiliary aid or service at least 48 hours prior to the scheduled meeting date/time. Requests should be forwarded to Sara Reyes by e-mail at sara@mpwmd.net or at (831) 658-5610.

Options for Providing Public Comment

Submission of Written Public Comment

Send written comments to District Office, 5 Harris Court, Building G, Monterey, CA or online at comments@mpwmd.net. Include the following subject line: "PUBLIC COMMENT ITEM #" (insert the agenda item number relevant to your comment). Written comments must be received by 12:00 PM on Wednesday, March 19, 2025. All submitted comments will be provided to the Committee, compiled as part of the record, and placed on the District’s website as part of the agenda packet for the meeting. Correspondence is not read during public comment portion of the meeting.

Instructions for Connecting to the Zoom Meeting can be found at
<https://www.mpwmd.net/instructions-for-connecting-to-the-zoom-meetings/>

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LEGISLATIVE ADVOCACY COMMITTEE

ITEM: ACTION ITEM

1. CONSIDER ADOPTION OF THE SEPTEMBER 30, 2024 COMMITTEE MEETING MINUTES

Meeting Date: March 20, 2025

From: David J. Stoldt,
General Manager

Prepared By: Sara Reyes

CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.

SUMMARY: Attached as **Exhibit 1-A** are the draft minutes of the Legislative Advocacy Committee meeting held on September 30, 2024.

RECOMMENDATION: The Legislative Advocacy Committee should review and adopt the minutes by motion.

EXHIBIT

1-A Draft Minutes of September 30, 2024, Legislative Advocacy Committee Meeting



EXHIBIT 1-A

Draft Minutes Legislative Advocacy Committee of the Monterey Peninsula Water Management District Monday, September 30, 2024 at 3:00 p.m.

The meeting was conducted via Teleconference - by Zoom.

Call to Order

Chair Adams called the meeting to order at 3:00 p.m.

Committee members present:

Mary Adams, Chair
Ian Oglesby
Alvin Edwards

Committee members absent:

None

Staff members present:

David J. Stoldt, General Manager
Sara Reyes, Sr. Office Specialist

District Counsel present:

Michael Laredo with De Lay and Laredo

Legislative Consultant:

John Arriaga, JEA & Associates
Laurie Johnson, JEA & Associates
Roger Gwinn, The Ferguson Group
Chris Kearney, The Ferguson Group

Comments from the Public:

Chair Adams opened the public comment period; however, no comments were made.

Action Items

1. Consider Adoption of the April 24, 2024 Committee Meeting Minutes

Chair Adams introduced the item and opened the public comment period; however, no comments were made.

A motion to approve the April 24, 2024 Committee meeting minutes was offered by Director Oglesby and seconded by Director Edwards. The motion passed on a roll-call vote with 3 Ayes (Edwards, Adams and Oglesby), and 0 Noes.

Discussion Items

2. Report from The Ferguson Group on Federal Legislative and Regulatory Activities

Chair Adams introduced the item. Roger Gwinn with The Ferguson Group (TFG) provided an

advocacy update on some of the District's pending priorities, including but not limited to:

- Further Consolidated Appropriations Act of 2024: This “minibus” bill was signed into law on March 23, 2024, and closed out the Fiscal Year 2024 Appropriations process
- Energy and Water Development Appropriations Bill: This bill provides extra funding for the Corps of Engineers' Section 219/Environmental Infrastructure account. The District will use this account to fund projects under the Monterey Peninsula Stormwater Diversion and Recycling Program
- Community Project Funding/Congessionally Directed Spending Requests: TFG worked with the District to submit two requests:
 1. Monterey Peninsula Stormwater Diversion and Recycling Project (\$650,000)
 2. Feasibility and Design of Other Diversion and Recycling Projects (\$350,000)The requests did not receive funding for FY25.

Chris Kearney from TFG highlighted Washington News and referred to the Federal Legislative Report memo prepared by TFG. Mr. Kearney made the following points, including but not limited to:

- New House Appropriations Chairman Named
- Senate Appropriations Announces New Chairs
- EPA Sets Strict Limits for Six Polyfluoroalkyl Substances (PFAS) in Drinking Water
- EPA Launches New Website to Improve Transparency in Permitting
- EPA Defends ‘Adjacent’ Wetlands Definition as Critics Attack WOTUS Rule in Texas Case
- Biden White House Approves Endangered Species Act Rulemaking Reversing Trump Revisions
- Biden Administration Discusses Water Sector Cybersecurity Concerns with State/Local Officials

3. Report from JEA & Associates on Legislative Status and Bill Tracking

Chair Adams introduced the item. John Arriaga from JEA & Associates provided a state legislative update, noting some high-profile packages, such as the Pro-Tem's clean energy bills.

Laurie Johnson from JEA & Associates made the following points, including but not limited to:

- Budget Update
- Legislative Updates
 - AB 2257 – ACWA Sponsored / JEA recommends Support
 - AB 2302 – Signed by the Governor / JEA recommends Support
 - AB 2561 – Signed by the Governor / JEA recommends Oppose
 - SB 937 – Signed by the Governor / JEA has no position
 - Climate Bond – Referred to as Proposition 4 and scheduled to be on the November 2024 ballot

Other Items

4. Suggest Items to Place on a Future Committee Agenda

Chair Adams introduced the item. The committee discussed future topics of interest, but no items were formally suggested.

Adjournment

There being no further business, Chair Adams adjourned the meeting at 3:58 p.m.

/ s/ Sara C. Reyes

Sara C. Reyes, Committee Clerk to the
MPWMD Legislative Advocacy Committee

Approved by the MPWMD Legislative Committee on _____, 2024
Approved by the MPWMD Board of Director's on _____, 2024

LEGISLATIVE ADVOCACY COMMITTEE

ITEM: DISCUSSION ITEM

2. REPORT FROM THE FERGUSON GROUP ON FEDERAL LEGISLATIVE AND REGULATORY ACTIVITIES

Meeting Date: March 20, 2025 **Budgeted:** N/A

From: David J. Stoldt,
General Manager **Program/** N/A
Line Item No.:

Prepared By: David J. Stoldt **Cost Estimate:** N/A

General Counsel Review: N/A

Committee Recommendation: N/A

CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.

SUMMARY: The Ferguson Group will provide an update on activities related to federal legislation and regulatory activities.

EXHIBITS

2-A TFG Federal Quarterly Report

2-B Federal Legislative Tracker

2-C Press Release on FISH Act – HR 1894 (Calvert)

Memo



TO: Monterey Peninsula Water Management District

FROM: The Ferguson Group

RE: Federal Legislative Report

DATE: March 14, 2025

Quarterly Legislative Report

The Monterey Peninsula Water Management District's (MPWMD) legislative report covers federal legislative and agency activities related to appropriations, budget, water and natural resources, environmental protection, and other water agency-related issues.

Government Funding and Budget Update

Government Shutdown Averted with Full-Year CR

Congress averted a government shutdown by passing a full-year Continuing Resolution (CR), which funds the government through September 30, 2025. The House passed the Full-Year Continuing Appropriations and Extensions Act, 2025 ([H.R. 1968](#)) on Tuesday, March 11, by a vote of 217-213, with only one Democrat – Rep. Jared Golden (D-ME) -- supporting the measure and one Republican – Thomas Massie (R-KY) -- opposing it.

In the Senate, with only one Democrat -- Sen. John Fetterman (D-PA) -- voting yes on final passage, the Senate gave approval to the bill by a vote of 54-46 on Friday, March 14th – the day the previous continuing resolution was due to expire. President Trump signed the legislation several hours after Senate passage.

. Despite initial strong opposition from Senate Democrats to allow the bill to come up for a vote, enough Democrat Senators – led by Minority Leader Sen. Chuck Schumer (D-NY) -- ultimately voted yes on a procedural vote that overcame a 60-vote filibuster threshold, allowing the bill to be brought before the Senate for consideration. Schumer faced significant criticism from House Democrats and former Speaker Nancy Pelosi over his willingness to support the procedural vote --effectively ensuring the bill would pass -- rather than continuing to block it and push for a shorter-term CR to allow for additional negotiations.

The one-year CR funds most programs and activities at enacted FY 2024 levels, with some exceptions:

- \$6 billion increase for defense funding
- \$440 million increase for immigration enforcement
- \$20 billion reduction for the Internal Revenue Service
- \$40 million decrease for the Bureau of Reclamation

The bill also extends several expiring authorities through September 30, 2025, including:

- Public health, Medicare, and Medicaid authorities

- The National Flood Insurance Program (NFIP)
- Department of Homeland Security cybersecurity programs
- Temporary Assistance for Needy Families (TANF)
- Various immigration programs and authorities

Notably, the year-long CR does not include funding for any of the 8,600 pending FY25 earmarks (Community Project Funding/Congressionally Directed Spending requests), totaling \$15.9 billion, which had advanced through the FY25 appropriations process throughout calendar year 2024.

Impact on MPWMD Funding Requests

As reported in the last Legislative Advocacy Committee report, MPWMD submitted two requests for earmark funds in the Fiscal Year 2025 appropriations process:

1. \$750,000 for the Monterey Peninsula Stormwater Diversion and Recycling Project (Corps of Engineers, Construction, Environmental Infrastructure account)
2. \$3,200,000 for the Seaside Municipal Well Water Security Project (EPA's State and Tribal Assistance Grants account)

Rep. Panetta had successfully secured \$1,105,800 for the Seaside project, and Senator Padilla requested \$750,000 for the Monterey Peninsula Stormwater Diversion and Recycling Project. However, these specific funding allocations were not approved with the passage of the full-year CR without earmarks.

TFG is continuing to work with MPWMD to explore alternative funding opportunities through discretionary program allocations, particularly with the Corps of Engineers. The CR requires the Corps of Engineers to produce a workplan within 60 days of enactment for allocating the funds provided in the CR. Given that the Corps received just over \$20 million for Environmental Infrastructure in FY24, there remains an opportunity for MPWMD to secure funds for its stormwater diversion and recycling project.

Water and Natural Resources Policy Update

Water Legislation

Several water-related bills have been introduced in the new Congress, including:

- H.R. 1894 - Federally Integrated Species Health (FISH) Act, introduced by Rep. Ken Calvert (R-CA-41), would consolidate the management and regulation of the Endangered Species Act (ESA) with respect to anadromous species within the U.S. Fish and Wildlife Service (FWS). Currently, ESA authority is split between FWS and the National Marine Fisheries Service (NMFS). The bill addresses conflicting regulations, such as federal agencies receiving contradictory directives regarding water releases from reservoirs.
- S. 783 - Assistance for Rural Water Systems Act, introduced by Sen. Jeanne Shaheen (D-NH), would amend the Consolidated Farm and Rural Development Act to provide additional assistance to rural water, wastewater, and waste disposal systems.
- H.R. 338 - The Every Drop Counts Act, introduced by Rep. Jim Costa (D-CA), would modify the Small Storage Program to increase the size cap for groundwater recharge projects, and provide additional

eligibility criteria to ensure more groundwater projects can apply for funding and are incentivized to recharge depleted aquifers.

- H.R.337 - The Groundwater Recharge Technical Assistance Act, introduced by Rep. Jim Costa (D-CA), provides \$3 million annually to support groundwater recharge projects. This would empower the Secretary of the Interior (DOI) to use unobligated funds under the Bipartisan Infrastructure Law Western Water funding for aquifer storage, clean drinking water, and flood protection efforts. This legislation aims to strengthen drought resilience and help the U.S. Bureau of Reclamation.
- H.R. 1871 – The Water Conservation Rebate Tax Parity Act, introduced by Rep. Jared Huffman, amends federal tax law to exempt homeowners from paying income tax on rebates received from water utilities for water conservation or efficiency, stormwater, and wastewater management improvements. Senators Padilla (CA) and Curtis (UT) introduced an identical version in the Senate.

A full list of water bills that will be of interest to MPWMD can be found [here](#).

Water Infrastructure Finance and Innovation Act

Last week, the House Transportation and Infrastructure Subcommittee on Water Resources and Environment held a [hearing](#) regarding the WIFIA program. The hearing focused on financing water infrastructure projects through the Environmental Protection Agency's Water Infrastructure Finance and Innovation Act (WIFIA) program and the Clean Water State Revolving Fund (CWSRF). Witnesses representing financing authorities, tribal nations, contractors, and consulting firms offered insights into these programs' effectiveness, challenges, and potential improvements. Key themes included the need for sustained funding, streamlined processes, flexibility for states and small communities, and concerns about proposed budget cuts and federal mandates. The hearing explored how these financing mechanisms benefit communities and the economy and support essential water and wastewater projects nationwide.

ESA and Permitting Reform Efforts

House Natural Resources Chair Bruce Westerman has announced plans to reintroduce the "Endangered Species Amendments Act of 2025," a bill largely similar to his previous efforts, aiming to reform the Endangered Species Act by incorporating economic and national security analyses into listing decisions and allowing states to develop recovery strategies. The bill also includes measures to reduce litigation by increasing transparency and capping attorney fees. Permitting reform proponents in the Senate are taking a more targeted approach to the issue, primarily focused on energy projects, while the House efforts aim at broader regulatory reform, including changes to ESA and NEPA. While achieving regulatory streamlining is often an uphill battle, bipartisan support has grown recently as agencies struggle to translate more money for infrastructure to on-the-ground progress.

The Trump Administration's White House Council on Environmental Quality (CEQ) also recently issued a [rule](#) removing the formal NEPA implementing regulations from the Code of Federal Regulations, replacing them with non-binding guidance that directs agencies to rely on their own NEPA regulations. This shift is intended to give agencies more flexibility in determining their own procedures.

Water Recycling Funding

In January, the Bureau of Reclamation agreed to increase the per-project funding cap for the Title XVI-WIIN Water Reuse Grants Program from \$30 million to \$40 million to account for inflation. The increase in the cap will allow Reclamation to better address the significant rise in project costs that Title XVI project sponsors

have experienced in recent years. Efforts are being made with the Trump Administration to support this decision as part of the next application period.

Water Resources Development Act of 2024

The two chambers had previously passed different versions of the Water Resources Development Act (WRDA) of 2024 - the Senate passed the Thomas R. Carper Water Resources Development Act (S. 4367), and the House passed its version (H.R. 8812). The compromise version of the bill ([Public Law 118-272](#)) was enacted on January 4, 2025.

MPWMD had requested amendments to section 219 (Environmental Infrastructure authority) to allow federal assistance under the program to be provided in the form of reimbursements. This change would save MPWMD and the Corps time and money for work carried out under the "Monterey Peninsula Stormwater Diversion and Recycling Program" authority. However, this provision was not included in either the House or Senate versions of WRDA. TFG will continue to work on behalf of MPWMD to address this issue with House and Senate committee leaders in the coming months as the House and Senate begin work on the Water Resources Development Act of 2026.

Executive Branch and Regulatory Updates

EPA and Corps Propose Revised WOTUS Definition

On March 12, 2025, the U.S. Environmental Protection Agency and the Department of the Army [announced](#) a joint [memorandum](#) issuing guidance to field staff on the implementation of "continuous surface connection" consistent with the U.S. Supreme Court's May 25, 2023, decision in the case of Sackett v. Environmental Protection Agency. The agencies also announced a Federal Register notice publicizing a series of six listening sessions and a 30-day recommendations docket to solicit feedback on key aspects of the definition of "waters of the United States."

The joint memorandum issued by the EPA and the U.S. Army Corps of Engineers today provided guidance on the implementation of the definition of "waters of the United States" under the Clean Water Act. It addresses the "continuous surface connection" requirement for adjacent wetlands, following the Supreme Court's decision in Sackett v. Environmental Protection Agency (2023).

Key points include:

- The memorandum aims to clarify the implementation of the Clean Water Act concerning adjacent wetlands, particularly the "continuous surface connection" requirement.
- It aligns the agencies' interpretation with the Supreme Court's decision in Sackett, which endorsed the Rapanos plurality standard, rejecting the "significant nexus" test.
- The document specifies that only wetlands directly abutting a jurisdictional water, without separation by uplands or similar features, meet the "continuous surface connection" requirement.
- It rescinds previous guidance and training materials that allowed for jurisdiction over wetlands connected by discrete features like ditches, swales, pipes, or culverts.
- The agencies will issue a public notice to gather recommendations on key terms from Sackett to inform future administrative actions.

The memorandum takes effect immediately and aims to provide national consistency in determining jurisdictional wetlands under the Clean Water Act.

Public comments on this proposed WOTUS rule are due 30 days after publication, April 13, 2025. MPWMD may want to consider submitting comments to ensure your concerns are considered in this critical regulatory definition affecting water resource project permitting and compliance requirements.

Interior Department Leadership Changes

Recent staffing announcements at the Department of Interior include:

- **Tyler Hassen**, a former oil and gas executive linked to the Trump Administration's Department of Government Efficiency (DOGE), has been promoted to acting Assistant Secretary for Policy, Management, and Budget at the Department of the Interior. His appointment, made through a secretarial order by Interior Secretary Doug Burgum, gives him significant authority as the Trump Administration seeks to downsize the federal workforce.
- **Karen Budd-Falen** is returning to the Interior Department as Associate Deputy Secretary. A Wyoming attorney with a long history in legal advocacy, she previously served in the first Trump Administration as deputy Interior solicitor overseeing national parks and the Endangered Species Act.
- **Gregory Zerzan**, acting Solicitor for the Interior Department, has suspended all 20 Solicitor opinions (M-Opinions) issued during the Biden Administration, citing the need for a "thorough review" by the new Administration.

New Nominees

The Senate Environment and Public Works (EPW) Committee recently held a confirmation hearing for two EPA nominees: David Fotouhi for Deputy Administrator and Aaron Szabo for Assistant Administrator of the Office of Air and Radiation. The hearing was contentious, as Democrats pushed back against EPA Administrator Lee Zeldin's recommendation to undo the 2009 endangerment finding for greenhouse gases, which underpins federal climate regulations. Both nominations were advanced with a vote of 10-9 along party lines and are now pending before the full U.S. Senate for confirmation.

Both nominees have ties to the first Trump Administration. Fotouhi, a former EPA lawyer, previously opposed efforts to repeal the endangerment finding, while Szabo, an adviser to Zeldin, contributed to Project 2025, a Heritage Foundation plan that calls for revising the endangerment finding.

A list of pending and confirmed nominees who may be of interest to MPWMD can be found [here](#).

Huffman Named Ranking Member of House Natural Resources Committee; Senator Schiff Joins Senator Padilla on the Senate Environment and Public Works Committee

Congressman Jared Huffman (D-Calif.) assumed the top Democrat position on the House Natural Resources Committee, succeeding Rep. Raúl Grijalva (D-Ariz.), who passed away on March 13th after announcing less than a year ago that he had been diagnosed with lung cancer.

Senator Schiff has joined Senator Padilla as a member of the Senate Environment and Public Works Committee, which, among other things, has jurisdiction over EPA, the Corps of Engineers, and many Department of Transportation programs.

Congressional Review Act Actions

Republicans are swiftly using the Congressional Review Act (CRA) to roll back Biden-era environmental and energy regulations. The House has voted on multiple resolutions targeting rules on:

- Offshore drilling archaeological studies (passed the Senate)
- EPA methane leak fees (passed both chambers, awaiting President Trump's signature)
- Tire manufacturing pollution standards
- DOE appliance efficiency rules

With limited time under the CRA window, Republicans strategically select regulations to challenge. California's vehicle emissions standards are likely to be targeted next. Others under consideration including revoking the listing of the Delta Longfin Smelt.

Grant Funding Update

Funding Opportunities

Numerous federal competitive grant funding opportunities are available to support District and District-partner priorities. Please refer to the [TFG grant tracker](#) for information on available funding opportunities.

TFG will continue to monitor relevant funding opportunities and provide updates as they become available.

EXHIBIT 2-B



MPWMD 119th Legislative Tracker

Last Updated: March 14, 2025

Overview: The following legislative tracker provides the status of legislation introduced in the 119th Congress pertaining to water issues.

Each of the bill numbers is hyperlinked to the bill text, and other related details.

Bill Number: HR 1235	Last Action: Feb 12, 2025 - Referred to the Committee on Transportation and Infrastructure, and in addition to the Committees on Financial Services, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.	Status: Introduced
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Bill Title: Federal Infrastructure Bank Act	Bill Summary: To establish the Federal Infrastructure Bank to facilitate investment in, and the long-term financing of, economically viable United States infrastructure projects that provide a public benefit, and for other purposes.
Sponsor: Daniel Webster	Introduction Date: Feb 12, 2025

Bill Number: HR 132	Last Action: Jan 03, 2025 - Referred to the House Committee on Natural Resources.	Status: Introduced
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Bill Title: Western Water Accelerated Revenue Repayment Act	Bill Summary: To amend the Water Infrastructure Improvements for the Nation Act to extend certain contract prepayment authority.
Sponsor: Lauren Boebert	Introduction Date: Jan 03, 2025

Bill Number: HR 338	Last Action: Jan 13, 2025 - Referred to the House Committee on Natural Resources.	Status: Introduced
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Bill Title: Every Drop Counts Act	Bill Summary: To amend the Infrastructure Investment and Jobs Act to increase surface water and groundwater storage, and for other purposes.
Sponsor: Jim Costa	Introduction Date: Jan 13, 2025

Bill Number: HR 337	Last Action: Jan 13, 2025 - Referred to the House Committee on Natural Resources.	Status: Introduced
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Bill Title: Groundwater Technical Assistance Act	Bill Summary: To provide technical and financial assistance for groundwater recharge, aquifer storage, and water source substitution projects.
Sponsor: Jim Costa	Introduction Date: Jan 13, 2025

Bill Number: HR 1871	Last Action: Mar 05, 2025 - Referred to the House Committee on Ways and Means.	Status: Introduced
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Bill Title: Water Conservation Rebate Tax Parity Act	Bill Summary: To amend the Internal Revenue Code of 1986 to expand the exclusion for certain conservation subsidies to include subsidies for water conservation or efficiency measures, storm water management measures, and wastewater management measures.
Sponsor: Jared Huffman	Introduction Date: Mar 05, 2025

Bill Number: HR	Last Action:	Status:
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1894	Mar 06, 2025 - Referred to the House Committee on Natural Resources.	Introduced
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Bill Title: FISH Act Federally Integrated Species Health Act	Bill Summary: <p>To amend the Endangered Species Act of 1973 to vest in the Secretary of the Interior functions under that Act with respect to species of fish that spawn in fresh or estuarine waters and migrate to ocean waters and species of fish that spawn in ocean waters and migrate to fresh or estuarine waters, and for other purposes.</p>
Sponsor: Ken Calvert	Introduction Date: Mar 06, 2025

Home » Media » Press Releases

REP. CALVERT REINTRODUCES THE FISH ACT

March 7, 2025 | [Press Release](#)

Congressman Ken Calvert (CA-41) reintroduced the Federally Integrated Species Health (FISH) Act, H.R. 1894, to consolidate the management and regulation of the Endangered Species Act (ESA), with respect to anadromous species, within the Fish and Wildlife Service (FWS). Currently, ESA authority is split between FWS and the National Marine Fisheries Service (NMFS).

"The FISH Act will benefit species and Americans trying to comply with the Endangered Species Act by having a single federal agency manage all species," said **Rep. Calvert**. "Consolidating the management of our endangered species and our rivers will translate into better results for species and those trying to comply with ESA regulations. The FISH Act will provide stakeholders and our habitats a more uniform approach to managing threatened and endangered species."

"California's water delivery system and its fisheries would benefit from having a single federal agency responsible for anadromous species management to help avoid conflicting regulations from multiple agencies," said **Deven Upadhyay General Manager of the Metropolitan Water District of Southern California**. "The Metropolitan Water District of Southern California appreciates Representative Calvert introducing this legislation and looks forward to its passage."

"There is a concerted and holistic effort in California's Sacramento Valley to help recover Chinook salmon while ensuring safe drinking water for our communities; reliable water supplies for our farms, hydropower, and recreation that serve as the economic engine for the region; and water to improve conditions for other fish and wildlife," said **David Guy, President, Northern California Water**. "To continue our important recovery partnerships with federal and state agencies in an effective and affordable manner, having the federal fish and wildlife agencies within a unified federal agency will provide for better communications, streamline decision-making, and help Californians advance the holistic approach needed to improve conditions for our amazing salmon."

"We commend Representative Ken Calvert for his unwavering commitment to advancing the FISH Act," said **Roger Cornwell, Board President, Sacramento River Settlement Contractors**. "By consolidating authority within the Department of Interior, the FISH Act will enhance our ability to implement effective conservation measures and balance the needs of all species in our watersheds. This approach aligns perfectly with our ongoing efforts to recover winter-run Chinook salmon and other iconic fish populations in the Sacramento River basin while maintaining the environmental and economic vitality of our region. The FISH Act is a testament to the need for a more coordinated federal response to the complex challenges of promoting salmon recovery."

"We applaud Representative Calvert for his leadership in working to resolve a longstanding issue that has led to inefficient and sometimes conflicting implementation of the Endangered Species Act," said **Federico Barajas, Executive Director of the San Luis & Delta-Mendota Water Authority**. "The FISH Act will improve ESA implementation by giving a single agency the responsibility of implementing the Act, minimizing duplication and potential conflicts like those experienced in prior years in California when Reclamation was ordered to release water out of Shasta Reservoir for smelt by the Fish and Wildlife Service at the same time that NOAA Fisheries directed Reclamation to hold that same water in Shasta to improve temperature management for salmonid species."

"The Federally Integrated Species Health (FISH) Act is a groundbreaking step forward, bringing much-needed clarity to our regional water management approach," said **Mauricio Guardado, General Manager of United Water Conservation District**. "By resolving the long-standing confusion between federal agencies, it saves taxpayers millions and ensures that science-based, experience-driven decisions are at the heart of our habitat preservation efforts. For too long, the National Marine Fisheries Service has managed species in areas outside its core expertise—territories where the Fish and Wildlife Service has extensive knowledge and understanding. This shift in responsibility aligns the right expertise with the right habitats, empowering water agencies, businesses, and families, while strengthening the ecosystems that support us all. The FISH Act brings balance, progress, and a future where every decision benefits the greater good. United Water Conservation District has been a proud partner in this joint effort, contributing additional language to the bill that reflects the unique needs of water agencies. We deeply appreciate Representative Calvert's collaborative approach in crafting the FISH Act, which exemplifies a common-sense solution to complex issues."

The ESA is currently administered by FWS and the Commerce Department's NMFS. The FWS has primary responsibility for terrestrial and freshwater organisms, while the responsibilities of NMFS are mainly marine wildlife such as whales and anadromous fish, such as salmon. The Federally Integrated Species Health Act would transfer the NMFS' ESA responsibilities for management of anadromous and catadromous species to the FWS.

###

Issues: [Energy and the Environment](#) [Water](#)

OFFICE LOCATIONS

[WASHINGTON DC OFFICE](#)

2205 Rayburn Building
Washington, DC 20515
Phone: (202) 225-1986
Fax: (202) 225-2004

[CORONA OFFICE](#)

400 S. Vicentia Avenue
Suite 125
Corona, CA 92882
Phone: (951) 277-0042
Fax: (951) 277-0420

[PALM DESERT OFFICE](#)

73710 Fred Waring Drive
Suite 129
Palm Desert, CA 92260
Phone: (760) 620-0041

LEGISLATIVE ADVOCACY COMMITTEE

ITEM: DISCUSSION ITEM

3. REPORT FROM JEA & ASSOCIATES ON LEGISLATIVE STATUS AND BILL TRACKING

Meeting Date: March 20, 2025 **Budgeted:** N/A

From: David J. Stoldt,
General Manager **Program/** N/A
Line Item No.:

Prepared By: David J. Stoldt **Cost Estimate:** N/A

General Counsel Review: N/A

Committee Recommendation: N/A

CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.

SUMMARY: JEA & Associates will provide an update on activities related to California legislation and regulatory activities, as described in **Exhibit 3-A** and **Exhibit 3-B** bill tracker.

EXHIBITS

3-A JEA Associates Memo

3-B Sacramento Bill Tracker

EXHIBIT 3-A



Date: March 13, 2025

To: Dave Stoldt, General Manager, Monterey Peninsula Water Management District

From: John E. Arriaga and Laurie Johnson, JEA & Associates

RE: Legislative Advocacy Committee – March 20, 2025

Budget Update

In early January, the Governor released his proposed budget. Specifically:

- \$322.3 billion Balanced Budget
- \$228.9 billion from General Fund (GF)
- \$16.9 billion in Reserves
 - \$10.9 billion – Rainy Day Fund
 - \$1.5 billion – Public School Rainy Day Fund
 - \$4.5 billion – Special Fund for Economic Uncertainties

The Governor's Budget has projections of \$16.5 billion higher than the 2024 Budget Act, and it is forecasting \$8.2 billion higher than the Legislative Analyst's Office (LAO). Additionally, the Budget maintains a \$363 million surplus, while the LAO has it at a \$2 billion deficit.

The Director of the Department of Finance noted that due to the Governor's two-year budget framework, that the state is on "more stable fiscal footing," and there is no need for additional solutions further than what was agreed upon in the 2024 Budget Act. The Budget will limit any new funding above "baseline" to \$1.2 billion.

Climate Bond (\$10 billion) –

- \$2.7 billion for projects to protect communities and natural resources and mitigate the impacts of climate change

Commented [DS1]: Add the legislative bill # to tie it to the tracker.

- Includes \$1.5 billion (\$325 million 2025-26) for wildfire and forest resilience programs

The Budget proposes the following water-related infrastructure investments from the Climate Bond in 2025-26:

- **Dam Safety and Climate Resilience**—\$231.5 million to the Dam Safety and Climate Resilience Local Assistance Program for competitive grants for projects that support dam safety and reservoir operations, such as funding for repairs, rehabilitation, and enhancements.
- **Water Quality and Safe Drinking Water and Tribal Water Infrastructure**—\$183.2 million for grants and loans that improve water quality and help provide clean, safe, reliable drinking water, such as water quality monitoring and remediation of perfluoroalkyl and polyfluoroalkyl substances, implementation of countywide drought and water shortage contingency plans, prevention and treatment of contaminated groundwater, consolidation or extension of water or wastewater systems, and \$11.1 million dedicated to tribal water infrastructure projects.
- **Flood Management Projects**—\$173.1 million for flood control projects to evaluate, repair, rehabilitate, reconstruct, expand, or replace levees, weirs, bypasses, and facilities of the State Plan of Flood Control, as well as funding for the Flood Control Subventions Program.
- **Water Reuse and Recycling**—\$153.4 million for water reuse and recycling projects that support treatment, storage, conveyance, or distribution facilities for potable and nonpotable use, dedicated infrastructure to serve retrofit projects, and multi-benefit projects that allow use of recycled water.

In addition to these investments, the Budget proposes \$173.5 million to improve water storage, replenish groundwater, improve conditions in streams and rivers, and complete various water resilience projects and programs.

Of note, statewide advocacy groups, like ACWA and CMUA are lobbying the Governor's office for more bond funds for necessary projects. However, the Governor is set to use this bond and the \$10 billion educational infrastructure bond to balance his budget.

With all of this said, many significant factors are poised to impact all these projections and expenditures. The first is the devastating LA fires, which the Legislature has already appropriated \$1.5 billion for emergency shelters. Interrelated is the absence of federal emergency aid funds, at this time. Compounding the state's dismal financial outlook is the recent passage of a "continuing resolution" by federal House Republicans cutting \$880

million to Medicaid over the next ten years. However, the federal Senate did not pass the bill.

Commented [DS2]: Wait until Friday and then revise.

We anticipate getting a clearer picture of the state's budgetary health in mid-May when the Governor releases his revised budget.

Legislative Update

The Legislature is on its second month of this year's legislative session and passed its first hard deadline on February 21st...bill introduction deadline. Despite Leadership in both House's limiting the number of bills that can be introduced by a legislator in the two-year session - 2510 bills were still introduced. After reviewing all these bills, we saw an increase of legislation around immigration, open meetings, housing and wildfires. As we move into late-March and April, the Legislature is rapidly ramping up its budget subcommittees and policy committees to meet its upcoming deadlines.

Aside from the routine legislative process, some interesting "happenings" have occurred "under the dome." Recently, Assembly Speaker Robert Rivas, removed key GOP lawmakers from committees, using a 2020 resolution.

This move is a departure from precedent, under which minority party leaders customarily but informally have say over their members' committee assignments.

Using HR-1, which to "empowers the Speaker to choose committee membership and leadership, and these changes will allow the Assembly to best conduct the people's business," said the California Assembly Democratic Caucus.

Additionally, the Governor issued an executive order on March 3rd, which requires all agencies and departments within his Administration to update their hybrid telework policies to a default of at least four days per week by July 1, 2025. The order establishes a four-day-per-week in-office expectation, with further telework flexibilities granted on a case-by-case basis considering individual circumstances, consistent with the executive order and existing family-friendly employment policies and legal obligations.

"To further enhance the state's workforce needs, the Governor is also directing CalHR to streamline the hiring process for former federal employees seeking employment in key roles, including firefighting, forest management, and weather forecasting," according to the Governor's Office press release.

Specifically, for MPWMD JEA & Associates provided summaries of 56 bills related to water resources and local governmental functions, and in consultation with the General Manager removed 26 of them. At this time, the General Manager has no specific recommendations to "Support" or "Oppose", and status of the remaining 30 is "Follow," although that may

change as ACWA, CSDA, Water Reuse, or other entities develop positions. The General Manager will highlight a handful of specific bills during the meeting.

Proposed Clean-up Legislation -

AB 1572, sponsored by Assemblymember Friedman, was signed into law by the Governor October 13, 2023. The bill amended Sections 10540, 10608.12, and 10608.22 of, to add Section 110 to, and to add Chapter 2.5 (commencing with Section 10608.14) to Part 2.55 of Division 6 of, the Water Code, relating to water. The bill went through the Assembly Water, Parks, and Wildlife Committee and the Senate Natural Resources & Water Committee. The bill prohibits the use of potable water, as defined, for the irrigation of nonfunctional turf located on commercial, industrial, and institutional properties, other than a cemetery, and on properties of homeowners' associations, common interest developments, and community service organizations or similar entities, as specified.

The bill authorized a public water system, city, county, or city and county to enforce these provisions, as specified. However, it did not specifically authorize special districts that are NOT public water systems to enforce the non-functional turf provisions. Yet, many special districts provide wholesale water supplies, have the power to make laws and ordinances, and have an interest in achieving water conservation goals. The MPWMD proposed clean-up legislation would add "urban wholesale water supplier" – a defined term under Section 10608.12 of the Water Code – to the list of types of entities authorized to enforce such provisions.

JEA & Associates have reached out to the Senate Committee on Natural Resources & Water and the Assembly Committee on Water, Parks & Wildlife for inclusion in their Committee Omnibus bills and currently waiting for approval or denial.

Cease and Desist Order

The General Manager and JEA & Associates have consulted on the framework for the 2025 plan to attempt to lift the State Water Board's Cease and Desist Order (CDO). JEA & Associates have committed to be available to schedule and support meetings with the SWRCB, CalEPA, and key legislators on this issue.

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EXHIBIT 3-B**MPWMD Legislative Track****As of March 12, 2025**

Measure	Author	Topic	Status	Summary	Notes
<u>AB 93</u>	<u>Papan D</u>	Water resources: demands: artificial intelligence.	1/8/2025-From printer. May be heard in committee February 7.	The California Constitution declares that the general welfare requires that the water resources of the state be put to beneficial use to the fullest extent of which they are capable, and that the waste or unreasonable use or unreasonable method of use of water be prevented. This bill would express the intent of the Legislature to enact future legislation that would maintain water and energy efficiency to the extent that new technology, including, but not limited to, artificial intelligence, increases the demands on already limited resources.	
<u>AB 259</u>	<u>Rubio, Blanca D</u>	Open meetings: local agencies: teleconferences.	2/10/2025-Referred to Com. on L. GOV.	Existing law, the Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body, as defined, of a local agency be open and public and that all persons be permitted to attend and participate. The act authorizes the legislative body of a local agency to use teleconferencing, as specified, and requires a legislative body of a local agency that elects to use teleconferencing to comply with specified requirements, including that the local agency post agendas at all teleconference locations, identify each teleconference location in the notice and agenda of the meeting or proceeding, and have each teleconference location be accessible to the public. Existing law, until January 1, 2026, authorizes the legislative body of a local agency to use alternative teleconferencing if, during the teleconference meeting, at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the boundaries of the territory over which the local agency exercises jurisdiction, and the legislative body complies with prescribed requirements. Existing law requires a member to satisfy specified requirements to participate in a meeting remotely pursuant to these alternative teleconferencing provisions, including that specified circumstances apply. Existing law establishes limits on the number of meetings a member may participate	

				in solely by teleconference from a remote location pursuant to these alternative teleconferencing provisions, including prohibiting such participation for more than 2 meetings per year if the legislative body regularly meets once per month or less. This bill would remove the January 1, 2026, date from those provisions, thereby extending the alternative teleconferencing procedures indefinitely. This bill contains other related provisions and other existing laws.	
<u>AB 269</u>	<u>Bennett D</u>	Dam Safety and Climate Resilience Local Assistance Program.	2/10/2025- Referred to Com. on W. P., & W.	Existing law provides for the regulation and supervision of dams and reservoirs by the state, and requires the Department of Water Resources, under the police power of the state, to supervise the construction, enlargement, alteration, repair, maintenance, operation, and removal of dams and reservoirs for the protection of life and property, as prescribed. Existing law requires the department to, upon appropriation by the Legislature, develop and administer the Dam Safety and Climate Resilience Local Assistance Program to provide state funding for repairs, rehabilitation, enhancements, and other dam safety projects at existing state jurisdictional dams and associated facilities that were in service prior to January 1, 2023, subject to prescribed criteria. This bill would include the removal of project facilities as additional projects eligible to receive funding under the program.	
<u>AB 295</u>	<u>Macedo R</u>	California Environmental Quality Act: environmental leadership development projects: water storage, water conveyance, and groundwater recharge projects: streamlined review.	2/10/2025- Referred to Coms. on NAT. RES. and W. P., & W.	The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of an environmental impact report (EIR) on a project that the lead agency proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. CEQA establishes a procedure by which a person may seek judicial review of the decision of the lead agency made pursuant to CEQA. The Jobs and Economic Improvement Through Environmental Leadership Act of 2021 authorizes the Governor, until January 1, 2032, to certify environmental leadership development	

				<p>projects that meet specified requirements for certain streamlining benefits related to CEQA. The act, among other things, requires a lead agency to prepare the record of proceedings for an environmental leadership development project, as provided, and to provide a specified notice within 10 days of the Governor certifying the project. The act is repealed by its own term on January 1, 2034. This bill would extend the application of the act to water storage projects, water conveyance projects, and groundwater recharge projects that provide public benefits and drought preparedness. Because a lead agency would be required to prepare the record of proceedings for water storage projects, water conveyance projects, and groundwater recharge projects pursuant to the act, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.</p>	
<u>AB 300</u>	<u>Lackey R</u>	Fire hazard severity zones: State Fire Marshal.	2/20/2025- Re-referred to Coms. on NAT. RES. and E.M pursuant to Assembly Rule 96.	<p>Existing law requires the State Fire Marshal to identify areas in the state as moderate, high, and very high fire hazard severity zones, as specified. Existing law also requires the State Fire Marshal to classify lands within state responsibility areas into fire hazard severity zones, and, by regulation, to designate fire hazard severity zones and assign to each zone a rating reflecting the degree of severity of fire hazard that is expected to prevail in the zone. Existing law requires the State Fire Marshal to periodically review very high fire hazard severity zones that are not state responsibility areas, and designated and rated zones that are state responsibility areas, as provided. This bill would instead require the State Fire Marshall to do the above-described classification and review of lands within state responsibility areas as fire hazard severity zones, and identification and review of areas in the state as moderate, high, and very high fire hazard severity zones, as specified, every 5 years.</p>	
<u>AB 339</u>	<u>Ortega D</u>	Local public employee organizations: notice requirements.	2/18/2025- Referred to Com. on P. E. & R.	<p>Existing law, the Meyers-Milias-Brown Act, contains various provisions that govern collective bargaining of local represented employees and delegates jurisdiction to the Public Employment Relations Board to resolve disputes and enforce the statutory duties and rights of local public agency employers and employees. Existing law requires the governing body of a public agency to meet and confer in good faith regarding wages, hours, and other terms and conditions of employment</p>	

				<p>with representatives of recognized employee organizations. Existing law requires the governing body of a public agency, and boards and commissions designated by law or by the governing body, to give reasonable written notice, except in cases of emergency, as specified, to each recognized employee organization affected of any ordinance, rule, resolution, or regulation directly relating to matters within the scope of representation proposed to be adopted by the governing body or the designated boards and commissions. This bill would require the governing body of a public agency, and boards and commissions designated by law or by the governing body of a public agency, to give the recognized employee organization no less than 120 days' written notice before issuing a request for proposals, request for quotes, or renewing or extending an existing contract to perform services that are within the scope of work of the job classifications represented by the recognized employee organization. The bill would require the notice to include specified information, including the anticipated duration of the contract. The bill would also require the public agency, if an emergency or other exigent circumstance prevents the public agency from providing the written notice described above, to provide as much advance notice as is practicable under the circumstances. If the recognized employee organization demands to meet and confer within 30 days of receiving the written notice, the bill would require the public agency and recognized employee organization to promptly meet and confer in good faith, as specified. By imposing new duties on local public agencies, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.</p>	
<u>AB 367</u>	<u>Bennett D</u>	County water districts: County of Ventura: fire suppression.	2/4/2025- From printer. May be heard in committee March 6.	<p>Existing law, the County Water District Law, authorizes the formation of county water districts and authorizes those districts to appropriate, acquire, and conserve water and water rights for any useful purpose and to operate water rights, works, properties, rights, and privileges useful or necessary to convey, supply, store, or make use of water for any purpose authorized by that law. Existing law requires the State Fire Marshal to identify areas in the state as moderate, high, and very high fire hazard severity zones based on consistent statewide criteria and based on the severity of fire hazard that is expected to prevail in those areas. This bill would require a water district that supplies water to</p>	

				<p>more than 20 residential dwellings that is used for the suppression of fire in either a high or very high risk fire hazard severity zone in the County of Ventura to have a backup energy source with sufficient power to promptly operate wells and pumps servicing the high or very high risk hazard severity zone at normal capacity for at least 24 hours in the case of a power shutoff unless the relevant water delivery systems are gravity fed and do not need any backup power to continue to operate during a power shutoff. The bill would require the Ventura County Fire Department to annually inspect facilities that provide water, as specified. The bill would require a water district to take various actions, including alerting the Ventura County Office of Emergency Services whenever its water delivery capacity has been reduced due to equipment failure or maintenance. The bill would require, if any fire destroys more than 10 residential dwellings or causes more than \$3,000,000 in damages to any residential dwelling in a specified water district, a report be made by the water district where the fire occurred and the Ventura County Fire Department that assesses the appropriateness of the water delivery system, as specified. By levying new requirements on a water district with respect to its power and water supply and the Ventura County Fire Department, this bill would create a state-mandated local program. This bill would make legislative findings and declarations as to the necessity of a special statute for County of Ventura. This bill contains other related provisions and other existing laws.</p>	
<u>AB 514</u>	<u>Petrie-Norris D</u>	Water: emergency water supplies.	2/24/2025- Referred to Com. on W. P., & W.	Existing law, the Urban Water Management Planning Act, requires every public and private urban water supplier that directly or indirectly provides water for municipal purposes to prepare and adopt an urban water management plan. The act requires an urban water management plan to include a water shortage contingency plan, as provided. This bill would declare that it is the established policy of the state to encourage, but not mandate, the development of emergency water supplies by local water suppliers, and to support their use during times of drought or unplanned service or supply disruption, as provided.	
<u>AB 638</u>	<u>Rodriguez, Celeste D</u>	Stormwater: reuses: irrigation.	3/3/2025- Referred to Com. on E.S	Existing law, the Stormwater Resource Planning Act, authorizes one or more public agencies to develop a stormwater resource plan that meets certain standards to address the capture of stormwater, as defined, and	

			& T.M.	dry weather runoff, as defined. The act requires the State Water Resources Control Board, by July 1, 2016, to establish guidance for purposes of the act. This bill would require the board, by June 1, 2026, to establish guidance for stormwater capture and reuse for the irrigation of urban public lands, as defined. The bill would require the guidance to include, but not be limited to, the use of captured stormwater for irrigation to offset the use of potable water, as specified, and criteria including, among other things, pathogens and pathogen indicators and total suspended solids.	
<u>AB 717</u>	<u>Aguiar-Curry D</u>	Water rights: appropriation: small restoration use.	3/11/2025-Re-referred to Com. on W. P., & W.	Existing law, the Water Rights Permitting Reform Act of 1988, authorizes any person to obtain a right to appropriate water for a small domestic, small irrigation, or livestock stockpond use, as defined, upon registering the use with the State Water Resources Control Board, as prescribed, payment of a registration fee, and application of the water to reasonable and beneficial use with due diligence. Existing law requires a person, in registering their water use to the board, to set forth a certification that the registrant has contacted the Department of Fish and Wildlife and to include a copy of any conditions required by the department. This bill would authorize any person to also obtain a right to appropriate water for a small restoration use, as defined. The bill would also authorize a person to apply for a restoration management permit from the Department of Fish and Wildlife, as provided, and if the permit is issued, the person would be required to include a copy of any conditions required by the restoration management permit with the required certification.	
<u>AB 990</u>	<u>Hadwick R</u>	Public water systems: emergency notification plan.	3/10/2025-Referred to Com. on E.S & T.M.	Existing law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health, including, but not limited to, conducting research, studies, and demonstration programs relating to the provision of a dependable, safe supply of drinking water, enforcing the federal Safe Drinking Water Act, adopting enforcement regulations, and conducting studies and investigations to assess the quality of domestic water wells. Existing law prohibits a person from operating a public water system without an emergency notification plan that has been submitted to and approved by the state board. Existing law requires the emergency notification plan to provide for immediate	

				notice to the customers of the public water system of any significant rise in the bacterial count of water or other failure to comply with any primary drinking water standard that represents an imminent danger to the health of the water users. This bill would authorize and encourage a public water system to provide notification to water users in their preferred language when updating the emergency notification plan, if resources are available.	
<u>AB 995</u>	<u>Caloza D</u>	California Safe Drinking Water Act: public water systems: random testing.	3/10/2025- Referred to Com. on E.S & T.M.	Existing law, the California Safe Drinking Water Act (state act), requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. The state act authorizes the state board to take certain actions relating to the inspection of public water systems, including inspecting and copying any records, reports, test results, or other information required to carry out the provisions of the act. This bill would require the state board to additionally inspect each public water system by establishing a program for the testing of water quality that tests random samples of water taken from locations within the public water system that are at or near to an ultimate destination of water delivery in order to test for water quality consistency throughout the delivery system.	
<u>AB 1096</u>	<u>Connolly D</u>	Mutual water companies: board members: training.	3/10/2025- Referred to Com. on E.S & T.M.	Under existing law, a mutual water company is defined as a corporation organized for or engaged in the business of selling, distributing, supplying, or delivering water for irrigation or domestic purposes that provides in its articles or bylaws that the water shall be sold, distributed, supplied, or delivered only to owners of its shares, as specified. Existing law requires each board member of a mutual water company that operates a public water system, within 6 months of taking office and every 6 years thereafter, to complete a course offered by a qualified trainer regarding the duties of board members of mutual water companies, as provided. This bill would require a board member of a mutual water company to provide proof of completion of that training to the State Water Resources Control Board no later than 30 days after completing the training.	
<u>AB 1146</u>	<u>Papan D</u>	Water infrastructure: dams and reservoirs.	2/21/2025- From printer. May be heard in	Existing law provides for the regulation and supervision of dams and reservoirs exclusively by the state. This bill would make a non-substantive change to that provision.	

			committee March 23.		
<u>AB 1198</u>	<u>Haney D</u>	Public works: prevailing wages.	3/10/2025- Referred to Com. on L. & E.	Existing law requires that, except as specified, not less than the general prevailing rate of per diem wages, determined by the Director of Industrial Relations, be paid to workers employed on public works projects. Existing law requires the body awarding a contract for a public work to obtain from the director the general prevailing rate of per diem wages for work of a similar character in the locality in which the public work is to be performed, and the general prevailing rate of per diem wages for holiday and overtime work, for each craft, classification, or type of worker needed to execute the contract. Under existing law, if the director determines during any quarterly period that there has been a change in any prevailing rate of per diem wages in a locality, the director is required to make that change available to the awarding body and their determination is final. Under existing law, that determination does not apply to public works contracts for which the notice to bidders has been published. This bill would instead state, commencing July 1, 2026, that if the director determines, within a semiannual period, that there is a change in any prevailing rate of per diem wages in a locality, that determination applies to any public works contract that is awarded or for which notice to bidders is published after July 1, 2026. The bill would authorize any contractor, awarding body, or specified representative affected by a change in rates on a particular contract to, within 20 days, file with the director a verified petition to review the determination of that rate, as specified. The bill would require the director to, upon notice to the interested parties, initiate an investigation or hold a hearing, and, within 20 days after the filing of that petition, except as specified, make a final determination and transmit the determination in writing to the awarding body and to the interested parties. The bill would make that determination issued by the director effective 10 days after its issuance, and until it is modified, rescinded, or superseded by the director.	
<u>AB 1203</u>	<u>Ahrens D</u>	Water conservation: water wise designation.	3/10/2025- Referred to Com. on W. P., & W.	Existing law requires the State Water Resources Control Board, in coordination with the Department of Water Resources, to adopt long-term standards for the efficient use of water and performance measures for commercial, industrial, and institutional water use (CII water use),	

				among other water uses, before June 30, 2022. Existing law requires the department, in coordination with the board, to conduct necessary studies and investigations and make recommendations, no later than October 1, 2021, for purposes of those standards and performance measures for CII water use. This bill would require the department and the Office of Community Partnerships and Strategic Communications to include, within the Save Our Water Campaign, a statewide “water wise” designation to be awarded to businesses in the CII sector that meet or exceed the recommendations for CII water use best management practices pursuant to those performance measures.	
<u>AB 1367</u>	<u>Gallagher R</u>	The California Water Plan: water storage.	2/24/2025- Read first time.	Existing law requires the Department of Water Resources to update every 5 years the plan for the orderly and coordinated control, protection, conservation, development, and use of the water resources of the state. This plan is known as The California Water Plan. This bill would require the department to amend The California Water Plan to state that water storage is the preferred method to be used by the state to meet increased water demands by urban, agricultural, and environmental interests.	
<u>SB 31</u>	<u>McNerney D</u>	Water quality: recycled water.	3/12/2025- Set for hearing March 25.	The Water Recycling Law generally provides for the use of recycled water. Existing law requires any person who, without regard to intent or negligence, causes or permits an unauthorized discharge of 50,000 gallons or more of recycled water in or on any waters of the state to immediately notify the appropriate regional water board. This bill would, for the purposes of the above provision, redefine “recycled water” and provide that water discharged from a decorative body of water during storm events is not to be considered an unauthorized discharge if recycled water was used to restore levels due to evaporation.	
<u>SB 72</u>	<u>Caballero D</u>	The California Water Plan: long-term supply targets.	3/5/2025- From committee with author's amendments. Read second time and amended.	Existing law requires the Department of Water Resources to update every 5 years the plan for the orderly and coordinated control, protection, conservation, development, and use of the water resources of the state, which is known as “The California Water Plan.” Existing law requires the department to include a discussion of various strategies in the plan update, including, but not limited to, strategies relating to the development of new water storage facilities, water conservation, water recycling, desalination, conjunctive use, and water	

			Re-referred to Com. on N.R. & W.	transfers, that may be pursued in order to meet the future needs of the state. Existing law requires the department to establish an advisory committee to assist the department in updating the plan. This bill would revise and recast certain provisions regarding The California Water Plan to, among other things, require the department to expand the membership of the advisory committee to include tribes, labor, and environmental justice interests. The bill would require the department, as part of the 2033 update to the plan, to update the interim planning target for 2050, as provided. The bill would require the target to consider the identified and future water needs for a sustainable urban sector, agricultural sector, and environment, and ensure safe drinking water for all Californians, among other things. The bill would require the plan to include specified components, including a discussion of the estimated costs and benefits of any project type or action that is recommended by the department within the plan that could help achieve the water supply targets. The bill would require the department to report to the Legislature the amendments, supplements, and additions included in the updates of the plan, together with a summary of the department's conclusions and recommendations, in the session in which the updated plan is issued. The bill would also require the department to conduct public workshops to give interested parties an opportunity to comment on the plan.	
<u>SB 90</u>	<u>Seyarto R</u>	Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024: grants: improvements to public evacuation routes: mobile rigid water storage:	3/12/2025-Read second time and amended. Re-referred to Com. on N.R. & W.	The Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024, approved by the voters as Proposition 4 at the November 5, 2024, statewide general election, authorized the issuance of bonds in the amount of \$10,000,000,000 pursuant to the State General Obligation Bond Law to finance projects for safe drinking water, drought, flood, and water resilience, wildfire and forest resilience, coastal resilience, extreme heat mitigation, biodiversity and nature-based climate solutions, climate-smart, sustainable, and resilient farms, ranches, and working lands, park creation and outdoor access, and clean air programs. The act makes \$135,000,000 available, upon appropriation by the Legislature, to the Office of Emergency Services for a wildfire mitigation grant program to provide, among other things, loans, direct assistance, and matching funds for projects that prevent wildfires, increase resilience, maintain	

		electrical generators.		existing wildfire risk reduction projects, reduce the risk of wildfires to communities, or increase home or community hardening. The act provides that eligible projects include, but are not limited to, grants to local agencies, state agencies, joint powers authorities, tribes, resource conservation districts, fire safe councils, and nonprofit organizations for structure hardening of critical community infrastructure, wildfire smoke mitigation, evacuation centers, including community clean air centers, structure hardening projects that reduce the risk of wildfire for entire neighborhoods and communities, water delivery system improvements for fire suppression purposes for communities in very high or high fire hazard areas, wildfire buffers, and incentives to remove structures that significantly increase hazard risk. This bill would include in the list of eligible projects grants to the above-mentioned entities for improvements to public evacuation routes in very high and high fire hazard severity zones, mobile rigid dip tanks, as defined, to support firefighting efforts, prepositioned mobile rigid water storage, as defined, and improvements to the response and effectiveness of fire engines and helicopters. The bill would also include grants, in coordination with the Public Utilities Commission, to local agencies, state agencies, special districts, joint powers authorities, tribes, and nonprofit organizations for backup electrical generators for water reservoirs.	
<u>SB 350</u>	<u>Durazo D</u>	Water Rate Assistance Program.	3/7/2025-Set for hearing March 19.	Existing law requires the State Water Resources Control Board, by January 1, 2018, to develop a plan for the funding and implementation of the Low-Income Water Rate Assistance Program. Existing law requires the plan to include, among other things, a description of the method for collecting moneys to support and implement the program and a description of the method for determining the amount of moneys that may need to be collected from water ratepayers to fund the program. This bill would establish the Water Rate Assistance Program. As part of the program, the bill would establish the Water Rate Assistance Fund in the State Treasury to provide water affordability assistance, for both drinking water and wastewater services, to low-income residential ratepayers, as specified. The bill would require the state board to take various actions in administering the fund, including, among other things, track and manage revenue in	

				<p>the fund separately from all other revenue. The bill would require the state board, in consultation with relevant agencies and after a public hearing, to adopt guidelines for implementation of the program and adopt an annual report to be posted on the state board's internet website identifying how the fund has performed, as specified. The bill would require the guidelines to include minimum requirements for eligible systems, including the ability to confirm eligibility for enrollment through a request for self-certification of eligibility under penalty of perjury. By expanding the crime of perjury, the bill would impose a state-mandated local program. The bill would require the state board to take various actions in administering the program, including, but not limited to, providing guidance, oversight, and funding for low-income rate assistance for residential ratepayers of eligible systems. The bill would authorize the Attorney General to bring an action in state court to restrain the use of any method, act, or practice in violation of these provisions, except as provided.</p>	
<u>SB 394</u>	<u>Allen D</u>	Water theft: fire hydrants.	3/4/2025- Set for hearing March 19.	<p>Existing law authorizes a utility to bring a civil action for damages against any person who commits, authorizes, solicits, aids, abets, or attempts certain acts, including, diverting or causing to be diverted, utility services by any means whatsoever. Existing law creates a rebuttable presumption that there is violation of these provisions if, on premises controlled by the customer or by the person using or receiving the direct benefit of utility service, certain actions occur, including that there is an instrument, apparatus, or device primarily designed to be used to obtain utility service without paying the full lawful charge for the utility. This bill would add to the list of acts for which a utility may bring a civil cause of action under these circumstances to include tampering with a fire hydrant, fire hydrant meter, or fire detector check, or diverting water, or causing water to be diverted, from a fire hydrant with knowledge of, or reason to believe, that the diversion or unauthorized connection existed at the time of use for nonfirefighting purposes or without authorization from the appropriate water system or fire department. The bill would also expand the rebuttable presumption for a violation of these provisions to include, among other things, if a person tampers with or uses a fire hydrant, fire hydrant meter, or fire detector check without</p>	

				authorization to obtain water and without paying the full lawful charge of the water. This bill contains other related provisions and other existing laws.	
<u>SB 454</u>	<u>McNerney D</u>	State Water Resources Control Board: PFAS Mitigation Program.	3/11/2025- Set for hearing April 2.	Existing law designates the State Water Resources Control Board as the agency responsible for administering specific programs related to drinking water, including, among others, the California Safe Drinking Water Act and the Emerging Contaminants for Small or Disadvantaged Communities Funding Program. This bill would create the PFAS Mitigation Fund in the General Fund and would authorize the fund to be expended by the state board, upon appropriation by the Legislature, for purposes of these provisions. The bill would authorize the state board to seek out and accept nonstate, federal, and private funds, require those funds to be deposited into the PFAS Reduction Account within the PFAS Mitigation Fund, and continuously appropriate the moneys in the account to the state board for purposes of these provisions, thereby making an appropriation. The bill would authorize the state board to expend moneys from the fund and account in the form of a grant, loan, or contract, or to provide assistance services to water suppliers and wastewater operators, as those terms are defined, for multiple purposes, including, among other things, to cover or reduce the costs for water suppliers associated with treating drinking water to meet the applicable state and federal maximum PFAS contaminant levels. The bill would require a water supplier or wastewater operator to include a clear and definite purpose for how the funds will be used to provide a public benefit related to safe drinking water or treated wastewater in order to be eligible to receive funds. The bill would authorize the state board to adopt guidelines to implement these provisions.	
<u>SB 463</u>	<u>Alvarado-Gil R</u>	Drought planning: resiliency measures.	3/12/2025- Set for hearing April 8.	Existing law requires small water suppliers, defined for purposes of these provisions to mean a community water system serving 15 to 2,999 service connections, inclusive, and that provides less than 3,000 acre-feet of water annually, and nontransient noncommunity water systems that are schools to implement specified drought resiliency measures, including, among other things, no later than January 1, 2032, meter each service connection and monitor for water loss due to leakages. This bill would exempt a water district with fewer than 500	

				service connections from metering each service connection and monitoring for water loss due to leakages.	
<u>SB 473</u>	<u>Padilla D</u>	Water corporations: demand elasticity.	2/26/2025- Referred to Com. on E., U & C.	The California Constitution and the Public Utilities Act vest the Public Utilities Commission with regulatory authority over electrical corporations and water corporations. The act requires the commission to ensure that errors in estimates of demand elasticity or sales do not result in material overcollections or undercollections of electrical corporations. This bill would additionally require the commission to ensure that those errors do not result in material overcollections or undercollections of water corporations. This bill contains other related provisions and other existing laws.	
<u>SB 599</u>	<u>Caballero D</u>	Groundwater recharge: floodflows: diversion.	3/5/2025- Referred to Com. on RLS.	Current law declares that all water within the state is the property of the people of the state, but the right to the use of the water may be acquired by appropriation in the manner provided by law. Existing law requires the appropriation to be for some useful or beneficial purpose. Existing law provides that the diversion of floodflows for groundwater recharge, commenced before January 1, 2029, does not require an appropriative water right if certain conditions are met, including that the diversion does not use new permanent infrastructure or permanent construction. This bill would make a nonsubstantive change to this provision.	
<u>SB 614</u>	<u>Stern D</u>	Potable water: nonfunctional turf.	3/5/2025- Referred to Com. on N.R. & W.	Current law prohibits the use of potable water, as defined, for nonfunctional turf located on common areas of properties of homeowners' associations, common interest developments, and community service organizations or similar entities, starting January 1, 2029. This bill would prohibit that use of potable water one year earlier.	
<u>SB 676</u>	<u>Limón D</u>	California Environmental Quality Act: responsible agency.	3/11/2025- Set for hearing April 2.	The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of an environmental impact report on a project that the lead agency proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial	

				evidence that the project, as revised, would have a significant effect on the environment. CEQA defines “responsible agency” for purposes of the act to include a public agency, other than a lead agency, that has responsibility for, among other things, approving a project. This bill would expand the definition of “responsible agency” to include a public agency, other than the lead agency, that has responsibility for permitting a project. To the extent this bill would impose new duties on local agencies related to new responsible agency designations, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.	
<u>SB 697</u>	<u>Laird D</u>	Determination of water rights: stream system.	3/12/2025-Set for hearing March 25.	Existing law authorizes the State Water Resources Control Board to hold proceedings to determine all rights to water of a stream system whether based upon appropriation, riparian right, or other basis of right. Existing law provides various requirements for the board when determining adjudication of water rights, including, among other things, performing a detailed field investigation of a stream system, as defined, issuing an order of determination, providing notice and a hearing process, and filing a final order. This bill would revise the above-described provisions regarding the board’s statutory adjudication of water rights during an investigation of a stream system to, among other things, require representatives of the board to investigate in detail the use of water with the authority, but no requirement, to conduct a field investigation, authorize the board to issue information orders that require claimants to submit monthly reports of water use from the stream system through a form provided by the board, and require claimants to respond to that order within 45 days of the date of issuance by the board.	
<u>SB 742</u>	<u>Pérez D</u>	Water systems and water districts.	3/12/2025-Referred to Com. on RLS.	The California Water District Law provides for the establishment of water districts, and grants a district the power to acquire, plan, construct, maintain, improve, operate, and keep in repair the necessary works for the production, storage, transmission, and distribution of water for irrigation, domestic, industrial, and municipal purposes. This bill would state the intent of the Legislature to enact subsequent legislation related to the regulation of water systems and water districts.	
Total Measures: 30					

Total Tracking Forms: 30

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LEGISLATIVE ADVOCACY COMMITTEE

ITEM: DISCUSSION ITEM

4. GENERAL MANAGER'S REPORT ON PROPOSED LEGISLATION – THREE ITEMS

Meeting Date: March 20, 2025 **Budgeted:** N/A

From: David J. Stoldt,
General Manager **Program/
Line Item No.:** N/A

Prepared By: David J. Stoldt **Cost Estimate:** N/A

General Counsel Review: N/A

Committee Recommendation: N/A

CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.

SUMMARY: Three items of proposed legislation have recently come to the District's attention which will be discussed at the Committee meeting.

EXHIBITS

4-A Summary of Proposed SB 473

4-B ACWA Call for Action on SB 350

4-C Water Conservation Rebate Tax Parity Act

EXHIBIT 4-A

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California State Senate

SENATOR
STEPHEN C. PADILLA
EIGHTEENTH SENATE DISTRICT



COMMITTEES

BUDGET SUBCOMMITTEE #4 ON
STATE ADMINISTRATION AND
GENERAL GOVERNMENT
CHAIR

MEMBER

AGRICULTURE

BUDGET

GOVERNMENTAL ORGANIZATION

HOUSING

NATURAL RESOURCES AND WATER

SB 473 – Water Decoupling

In 2022, the California Legislature passed SB 1469 (2022) to make permanent a successful pilot program that promotes water affordability, conservation and protects investments in clean, safe, reliable water infrastructure. Called “decoupling”, the program lets water utilities separate the fixed costs of water infrastructure from the variable costs of water consumption. However, since SB 1469 passed, the CPUC has denied all decoupling requests, discouraging programs that help make water bills more affordable and that encourage conservation.

Water decoupling allows utilities to charge less for those who use less water, promoting affordability and helping families on fixed incomes plan their budgets without fear of drastic increases to their water bills. Decoupling consistently maintains greater cumulative reductions in water use than non-decoupled suppliers do. Prior to the drought, decoupled suppliers achieved 29% more water savings than non-decoupled suppliers. Water decoupling helps prevent unpredictable water bills and empowers people to make conservation decisions at home to manage their bill. Over the course of eight years, four utilities implemented decoupling and provided 37 million in savings for their customers.

SB 473 offers a permanent solution by ensuring the CPUC permits water utilities to use decoupling when requested and honor the intent of the Legislature when they passed SB 1469. **SB 473 will help make water affordable** for millions of Californians by rewarding customers who use water the most efficiently- often low-income Californians — while ensuring those who use the most, pay the most.

Staff Contact

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Title: Legislative Aide

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Capitol Office: (916) 651 – 4018

Support

- California Water Association (Sponsor)

EXHIBIT 4-B

Dave Stoldt

From: ACWA <acwabox@acwa.com>
Sent: Wednesday, March 12, 2025 1:11 PM
To: Dave Stoldt
Subject: ACWA Alert: Members Urged to Join Coalition Seeking Amendments on Latest LIRA Bill

Follow Up Flag: Follow up
Flag Status: Flagged



MARCH 12, 2025

Members Urged to Join Coalition Seeking Amendments on Latest LIRA Bill



Oppose Unless Amend SB 350

ACWA urges member agencies to join an association-led coalition to oppose SB 350 (Durazo), unless the bill is appropriately amended to create a workable and efficient low-income rate assistance (LIRA) program.

ACWA submitted a [letter](#) today outlining how the legislation, as currently drafted, could be improved to better serve communities and reduce unreasonable burdens on public water agencies.

If enacted into law, the bill would require the State Water Resources Control Board to create a water rate assistance program to provide financial assistance for both drinking water and wastewater services to low-income residential ratepayers. The bill was introduced in February by Senator María Elena Durazo (D-Los Angeles) and has been double-referred to the Senate Environmental Quality Committee and Energy, Utilities and Communications Committee. It is currently scheduled to be heard on March 19 by the Senate Environmental Quality Committee.

Take Action Now

Join the **SB 350 Oppose-Unless-Amended Coalition** by completing an [online form](#).

Join Coalition

Background

ACWA believes a water and wastewater low-income rate assistance program – if designed in a reasonable, efficient and effective manner – is an appropriate approach. However, SB 350 could be improved to maximize the funding spent on direct assistance to ratepayers, enhance public process and reduce unreasonable burdens on water providers. Also, any LIRA legislation must recognize and allow to continue local LIRA programs already operating through a number of ACWA member agencies.

Questions

For questions about SB 350 or the coalition, please contact ACWA Senior State Relations Advocate [Soren Nelson](#) at (916) 669-2367.

Bringing Water Together

REPS. HUFFMAN, MOORE INTRODUCE BILL TO EASE TAX BURDEN FOR HOMEOWNERS WHO INVEST IN SUSTAINABLE TECHNOLOGIES

BIPARTISAN LEGISLATION WOULD MAKE IT EASIER AND MORE AFFORDABLE FOR HOMEOWNERS TO PARTICIPATE IN WATER CONSERVATION EFFORTS

MARCH 05, 2025

Washington, D.C. – Today, U.S. Representative Jared Huffman (CA-02) and U.S. Representative Blake Moore (UT-01) reintroduced [the Water Conservation Rebate Tax Parity Act](#). This bipartisan legislation would amend federal tax law to exempt homeowners from paying income tax on rebates received from water utilities for water conservation and runoff management improvements.

The bill encourages homeowners to invest in water-saving and flood-prevention improvements by ensuring they are not penalized with unexpected tax burdens. Companion legislation in the U.S. Senate is being introduced by U.S. Senators Alex Padilla (D-CA), John Hickenlooper (D-CO), and John Curtis (R-UT).

"Worsening climate change has triggered more severe and frequent droughts throughout California, and our communities and ecosystems are paying the price," **said Congressman Jared Huffman**. "We need bold, innovative solutions to get this crisis under control immediately. The Water Conservation Rebate Tax Parity Act is one of the simplest and fastest ways to both reduce this water use and help California preserve its water supply, while also protecting our taxpayers from bearing the brunt of these costs. This legislation offers a win-win solution – enabling a cost-efficient transition to water-saving technologies locally while also protecting precious resources statewide."

"Utahns know firsthand the importance of both water conservation and smart tax policy," **said Congressman Blake Moore**. "This bill combines these two efforts by eliminating unnecessary tax burdens on homeowners who invest in water-efficient solutions, helping families keep more of their hard-earned dollars while promoting sustainability. Americans deserve a tax code that values responsible choices, and this bill is a commonsense step in the right direction."

"As climate change brings more frequent and severe droughts to states like California, it is crucial that Americans get support making home improvements that reduce their water use. As a Member of the Ways and Means Committee, I believe our federal tax code should encourage, not penalize, these investments. I'm joining Reps. Huffman and Moore, and Sens. Padilla and Curtis, in reintroducing the Water Conservation Rebate Tax Parity Act to remove the federal tax burden on water conservation rebates, which will help more Americans reduce their water use and help states like California preserve our precious water resources," **said Rep. Chu**.

"For Californians, conserving water is a way of life — and we know the importance of staying prepared for the next major drought," **said Senator Alex Padilla**. "Saving water means saving money on your water bills, which is why water utilities throughout the state offer rebates for more efficient water fixtures or drought-tolerant landscaping. We should incentivize homeowners to invest in technologies that reduce their water consumption, not penalize them with additional federal income taxes."

"Due to Utah's dry climate, water conservation is essential to preserving our way of life. While households and communities have made significant strides in improving water efficiency, the federal tax code has yet to catch up in supporting these investments," **said Senator John Curtis**. "By removing taxes on rebates for water-saving home upgrades, our bill rewards Utahns for adopting sustainable practices that benefit both our environment and economy."

"Droughts don't just disappear. We need to make the most of every drop," **said Senator John Hickenlooper**. "Homeowners need to conserve their water to make us more drought resilient."

BACKGROUND:

Public utilities and state and local governments across the country are increasingly offering rebates and incentives to homeowners who invest in water conservation and stormwater management improvements to reduce water use, limit stormwater runoff, and ease the strain on public infrastructure.

[The Water Conservation Rebate Tax Parity Act](#) clarifies that these incentives—growing in both number and size—should not be considered taxable income, but rather a means of offsetting upfront consumer costs for the public good.

SPECIFICALLY, THE LEGISLATION:

- Amends the tax code to exempt from taxation any rebates or subsidies for water conservation, efficiency, stormwater management, or wastewater management improvements.
- Extends the tax exemption to rebates or subsidies provided directly or indirectly by public utilities, state and local governments, and stormwater management providers.
- Applies the exemption retroactively to amounts received on or after December 31, 2021, ensuring that recent rebates are also covered.

The full text of the legislation can be found [here](#).

The Water Conservation Rebate Tax Parity Act is supported by St. George, Utah Mayor Michelle Randall; Irrigation Association; Alliance for Water Efficiency; Plumbing Manufacturers International; Inland Empire Utilities Agency; National Water Resources Association; Association of Metropolitan Water Agencies; Association of Water Agencies; Eastern Municipal Water District; West Basin Municipal Water District; Western Urban Water Coalition; California Water Efficiency Partnership; Family Farm Alliance; Desert Water Agency; California Water Efficiency Partnership; Las Virgenes Municipal Water District; Upper San Gabriel Valley Municipal Water District; Coachella Valley Water District; Jurupa Community Services District; San Francisco Public Utilities Commission; and the City of Sacramento.

WHAT SUPPORTERS ARE SAYING

"ACWA commends Senator Padilla and Congressman Huffman for their leadership on water policy and for reintroducing the Water Conservation Rebate Tax Parity Act. This vital legislation would exempt recipients of water conservation rebates from federal income taxes on conservation and runoff management projects. The bill would establish essential parity between energy efficiency and water conservation rebates. We applaud the bill's potential to leverage investments in responsible water use, which will not only promote clean waterways but also drive greater success in water conservation," **said Marwan Khalifa, Interim Executive Director of the Association of California Water Agencies.**

"The SFPUC strongly supports eliminating federal taxes on water conservation rebates, wastewater management rebates, and stormwater management grants that we provide to our customers. Helping our customers with incentives to conserve water and better manage stormwater is needed and benefits everyone. As we have seen from devastating storms across our country, no one is immune. This bipartisan bill is an important tool as we work together to manage the effects of climate change and the weather whiplash we experience from intense droughts and historic storms. We appreciate the leadership of Congressman Huffman, Senator Padilla, and their bipartisan cosponsors on this important issue," **said Dennis Herrera, General Manager of the San Francisco Public Utilities Commission.**

"The Water Conservation Rebate Tax Parity Act is a practical and necessary solution that empowers consumers to reduce water use while removing burdensome tax requirements that discourage conservation. By making water conservation rebates tax-exempt, this bill incentivizes investment in smart water use products, lowers costs for consumers and bolsters our nation's long-term water security. We commend Representatives Huffman and Moore, along with Senators Curtis, Padilla and Hickenlooper for championing this critical legislation and urge Congress to act quickly to sign this bipartisan measure into law," **said Natasha Rankin, CEO of the Irrigation Association.**

"Supporting this bill will encourage homeowners to make water saving investments and home improvements. We should not penalize our ratepayers for doing the right thing. Otherwise, it's no good deed goes unpunished," **said Larry Dick, Director of the Metropolitan Water District of Southern California representing Municipal Water District of Orange County.**

"As Mayor of St. George, I want to thank Sen. John Curtis for his leadership on this important bill. Water conservation is vital to our future water planning. Fixing this IRS overreach is going to remove this tax penalty and allow more customers to take advantage of our grass removal rebate program," **said Michelle Randall, Mayor of St. George, Utah.**

"The Water Conservation Rebate Tax Parity Act is a vital step towards encouraging more efficient water use. We applaud Senators John Curtis (R-Utah), Alex Padilla (D-Calif.), and John Hickenlooper (D-Colo.) for introducing this important bipartisan legislation to revise tax rules which will reward consumers who utilize water utility rebates and implement water conservation improvements, including the purchase of manufactured plumbing products certified by the EPA's WaterSense program," **said Kerry Stackpole, CEO of the Plumbing Manufacturers International.**

"The National Water Resources Association strongly supports the reintroduction of the Water Conservation Rebate Tax Parity Act. Water utilities across the arid West rely on rebate programs to encourage the adoption of water-efficient technologies that reduce demand and enhance long-term water security. This bipartisan legislation ensures these vital conservation incentives receive fair federal tax treatment, aligning them with energy efficiency rebates. We appreciate the leadership in both chambers and urge swift passage to support responsible water management in our region," **said Greg Morrison, Executive Vice President of the National Water Resources Association.**

"By eliminating federal taxes on water conservation rebates, the Water Conservation Rebate Tax Parity Act will help more households and businesses afford efficiency upgrades that reduce water waste, lower utility bills, and enhance community resilience. The Alliance for Water Efficiency fully supports this bipartisan effort to align tax policy with our nation's water sustainability goals," **said Ron Burke, President & CEO of the Alliance for Water Efficiency.**

"Modern technology and water conservation techniques can significantly bolster our water supplies. Local water systems and their customers must work together to preserve precious water resources, improve drought resiliency, and safeguard water supplies for the future. Unfortunately, the federal tax code discourages customer participation in local water conservation and efficiency incentive programs, by treating these benefits as taxable income. The Water Conservation Rebate Tax Parity Act will eliminate this tax penalty and ensure that rebates are offered in full to help households afford these upgrades, so AMWA is proud to support the legislation," **said Tom Dobbins, CEO of the Association of Metropolitan Water Agencies.**

"Metropolitan has invested nearly \$1 billion since 1990 to help transform Southern California's landscape away from water thirsty grass and into more climate appropriate California friendly landscaping. This bill will ensure this transition to more efficient water use is not penalized. Metropolitan appreciates the introduction of this bipartisan bicameral legislation and looks forward to its passage," **said Deven Upadhyay, General Manager of the Metropolitan Water District of Southern California.**

rebates as taxable income. As a water provider in one of the nation’s most arid regions, CVWD is committed to water conservation efforts that ensure our community’s water supply is sustainable for future generations. In the last two years, CVWD has provided 1,715 customers with water conservation rebates totaling \$17.1 million. Because these rebates are currently treated as taxable income, many individuals, including elderly and fixed or low-income customers, are reluctant to participate in conservation programs because it increases their tax liability and can jeopardize their safety net benefits. This legislation will allow CVWD to expand water conservation efforts, making our community more resilient to an increasingly arid climate,” said **Scott Burritt, Director of Public Affairs and Customer Experience of the Coachella Valley Water District.**

“As arid regions of the country—including Los Angeles County—continue to confront water scarcity, water conservation remains a critical tool to ensure a sustainable supply of safe drinking water. Upper San Gabriel Valley Municipal Water District offers several rebate and water efficiency programs that provide residents with the tools they need to conserve at home. However, the water industry has long struggled with water rebates treated as taxable income, which we have seen adversely impact the participation of senior citizens and disadvantaged communities in these programs. The Water Conservation Rebate Tax Parity Act would delivered the needed relief by ensuring these conservation rebates are not taxable income. Upper San Gabriel Valley Municipal Water District strongly supports the Water Conservation Rebate Tax Parity Act, and looks forward to it becoming law,” **said Thomas A. Love, General Manager of the Upper San Gabriel Valley Municipal Water District.**

“Las Virgenes Municipal Water District is a strong supporter of the Water Conservation Rebate Tax Parity Act. As arid regions of the country—such as Southern California—are confronting the real-life impacts of water scarcity, water conservation is among the most important tools we have to ensure a sustainable supply of safe drinking water for generations to come. Water conservation rebate programs are an effective way to facilitate this environmental stewardship. Customers who do the right thing and invest their hard-earned dollars to conserve water, should not be left with a tax liability for phantom income resulting from incentive programs that partially offset their costs. The Water Conservation Rebate Tax Parity Act would end this outdated arrangement,” **said Dave Pedersen, General Manager of the Las Virgenes Municipal Water District.**

"Water agencies throughout the country welcome the reintroduction of the Water Conservation Tax Parity Act, which promises to treat water conservation rebates as what they truly are—an investment in our community and resources. Exempting these rebates from taxable income encourages more people to participate in vital water-saving measures," **said Chris Berch, General Manager of the Jurupa Community Services District.**

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