



AGENDA
Legislative Advocacy Committee

Tuesday, May 26, 2026 at 8:30 a.m. | *Virtual Meeting*

COMMITTEE MEMBERS	STAFF	Mission Statement
<i>Ian Oglesby – Chair Karen Paull George Riley Marianne Gawain - Alternate</i>	<i>David J. Stoldt, General Manager Mike McCullough, Assistant General Manager Sara Reyes, Board Clerk</i>	<p>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.</p> <p><u>Vision Statement</u> Model ethical, responsible, and responsive governance in pursuit of our mission.</p> <p><u>Board’s Goals and Objectives</u> Are available online at https://www.mpwmd.net/who-we-are/mission-vision-goals/</p>

Join the meeting at:

<https://mpwmd-net.zoom.us/j/81837874026?pwd=eqeiesQDnf0nUiGK9bkOAlfDRPMxjl.1>

Webinar ID: **818 3787 4026** | Password: **052626** | To Participate by Phone: **(669) 900-9128**

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

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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 February 11, 2026

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

Suggest Items to be Placed on Future Agendas

Adjournment

Accessibility

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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 8:00 AM on the day of the meeting. 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.

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<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 COMMITTEE MEETING MINUTES FROM
FEBRUARY 11, 2026**

Meeting Date: May 26, 2026

**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: Exhibit 1-A contains the draft minutes of the Legislative Advocacy Committee meeting held on February 11, 2026.

RECOMMENDATION: Staff recommends that the Legislative Advocacy Committee review and adopt the February 11, 2026 draft minutes by motion.

EXHIBIT

1-A Draft Minutes of February 11, 2026, Legislative Advocacy Committee Meeting



EXHIBIT 1-A

**Draft Minutes
Legislative Advocacy Committee Meeting
Wednesday, February 11, 2026 at 10:00 a.m.
Meeting Location: Zoom**

Call to Order / Roll Call

General Manager Dave Stoldt called the meeting to order at 10:11 a.m. and chaired the meeting.

Committee Members Present

Karen Paull
George Riley

Committee Members Absent

Ian Oglesby, Chair

District Staff Members Present

David Stoldt, General Manager
Mike McCullough, Assistant General Manager

District Staff Members Absent

Sara Reyes, Board Clerk

District Counsel Present

Michael Laredo, De Lay & Laredo

Additions and Corrections to the Agenda

None

Comments from the Public

No members of the public were present.

Action Items

General Manager Stoldt introduced this item.

1. Consider Adoption of Committee Meeting Minutes from November 19, 2025

On a motion by Paull, seconded by Riley, the minutes of the November 19, 2025 committee meeting were approved by a vote of 2 Ayes (Riley and Paull), 0 Noes, and 1 Absent (Oglesby).

Discussion Items

General Manager Stoldt introduced this item.

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

Roger Gwinn provided a brief overview of federal legislative activity, noting that Congress is nearing completion of FY 2026 appropriations, with the Department of Homeland Security bill remaining under a continuing resolution. He noted that the District continues to pursue FY 2026 Environmental Infrastructure funding through the U.S. Army Corps of Engineers and is coordinating with the Corps and the congressional delegation. Mr. Gwinn also discussed ongoing efforts related to the Water Resources Development Act (WRDA) 2026 and other federal water legislation affecting the District.

Chris Cummins added comments regarding the More Water Act and other federal water legislation

and referenced the legislative tracker.

Chris Kearney added comments regarding the federal legislative environment, noting that an unusually high number of congressional retirements has contributed to evolving coalition dynamics impacting legislative decision-making. He reported that water infrastructure and permitting reform continue to receive bipartisan attention, with potential activity on WRDA and related legislation, while cautioning that calendar constraints and federal agency staffing challenges may affect the timing of funding and program implementation.

Roger Gwinn noted that staff and consultants will continue federal advocacy efforts, including pursuit of Corps Environmental Infrastructure funding, WRDA priorities, and potential grant opportunities as the FY 2027 appropriations process begins.

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

John Arriaga reported on state legislative activity, noting a highly active start to the second year of the legislative session, ongoing committee hearings, and the Governor’s proposed budget. He discussed budget constraints, recent Senate leadership changes, and continued coordination with District staff on potential legislation, and introduced Laurie Johnson for additional detail.

Laurie Johnson provided an overview of the state budget outlook, noting ongoing deficits, election-year constraints, and limited flexibility for new spending. She reported that bond funding is primarily being used to maintain base-level water and climate programs, with increased emphasis on wildfire mitigation, and noted continued advocacy efforts related to water recycling and storage funding.

4. Update on Non-Functional Turf

General Manager Stoldt provided an update on implementation of non-functional turf regulations, noting ongoing questions regarding enforcement authority for special districts and recent discussions with legislative offices. He reported that staff is evaluating whether to proceed under existing authorities while monitoring potential legislative changes and will report back to the Water Demand Committee. Stoldt also noted continued efforts to advance modifications to the District’s CDO, with recent indications of progress at the State Water Board.

Suggest Items to Be Placed on a Future Agenda

No items were suggested.

Adjournment

General Manager Stoldt adjourned the meeting at 11:54 a.m.

/s/ Sara Reyes

Sara Reyes, Board Clerk to the
MPWMD Legislative Advocacy Committee

Approved by the MPWMD Legislative Advocacy Committee on _____.

Received by the MPWMD Board of Director’s on _____.



Monterey Peninsula Water Management District May MPWMD Legislative Tracker

Last Updated: May 21, 2026

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

BILL NUMBER	BILL TITLE	CONGRESS
HR 132	Western Water Accelerated Revenue Repayment Act	119th Congress
PROCESS STAGE	STATUS	
<p>Introduced Committee Passed House Passed Senate To President Law</p>	In Committee	
SPONSOR	COSPONSORS	
Lauren Boebert (R, CO-3)	Jeff Hurd (R, CO)	
INTRODUCTION DATE	LAST ACTION	ACTION TIMELINE
Jan 03, 2025	Jan 03, 2025 — Referred to the House Committee on Natural Resources.	2025-01-03 — Introduced in House 2025-01-03 — Introduced in House 2025-01-03 — Referred to the House Committee on Natural Resources.
FULL SUMMARY		
<p>Western Water Accelerated Revenue Repayment Act This bill permanently authorizes a provision under the Water Infrastructure Improvements for the Nation (WIIN) Act that (1) allows certain water users (e.g., agriculture and municipal water users) in western states to prepay what they owe under contracts with the Bureau of Reclamation for delivering water through a lump sum payment or over a period of three years; and (2) requires a specified portion of the receipts generated from such prepayments be directed to the Reclamation Water Storage Account for the construction of water storage. Such prepayments do not alter certain requirements for the disposition of amounts that are directed by project-specific statutes in effect prior to the passage of the WIIN Act to accounts other than the General Reclamation Fund.</p>		
COMMITTEES	LINK TO BILL TEXT	LINK TO CONGRESS.GOV
Natural Resources Committee (House)	View Bill Text →	View on Congress.gov →

BILL NUMBER	BILL TITLE	CONGRESS
HR 337	To provide technical and financial assistance for groundwater recharge, aquifer storage, and water source substitution projects.	119th Congress

PROCESS STAGE 		STATUS In Committee
SPONSOR Jim Costa (D, CA-21)	COSPONSORS David Valadao (R, CA); Mike Thompson (D, CA); Zoe Lofgren (D, CA); Adam Gray (D, CA); Josh Harder (D, CA); Brian Fitzpatrick (R, PA)	
INTRODUCTION DATE Jan 13, 2025	LAST ACTION Jan 13, 2025 — Referred to the House Committee on Natural Resources.	ACTION TIMELINE 2025-01-13 — Introduced in House 2025-01-13 — Introduced in House 2025-01-13 — Referred to the House Committee on Natural Resources.
FULL SUMMARY <p>This bill modifies the Infrastructure Investment and Jobs Act to allow unobligated balances of amounts made available to the Bureau of Reclamation for western water infrastructure to be made available to Reclamation for FY2026-2031 to provide financial or technical assistance for (1) groundwater recharge projects, (2) aquifer storage and recovery projects, or (3) water source substitution for aquifer protection projects.</p>		
COMMITTEES Natural Resources Committee (House)	LINK TO BILL TEXT View Bill Text →	LINK TO CONGRESS.GOV View on Congress.gov →

BILL NUMBER HR 338	BILL TITLE Every Drop Counts Act	CONGRESS 119th Congress
PROCESS STAGE 		STATUS In Committee
SPONSOR Jim Costa (D, CA-21)	COSPONSORS Russ Fulcher (R, ID); David Valadao (R, CA); Adam Gray (D, CA); Josh Harder (D, CA); Brian Fitzpatrick (R, PA); Michael Simpson (R, ID); Dave Min (D, CA)	
INTRODUCTION DATE Jan 13, 2025	LAST ACTION Nov 19, 2025 — Subcommittee Hearings Held	ACTION TIMELINE 2025-11-19 — Subcommittee Hearings Held 2025-11-12 — Referred to the Subcommittee on Water, Wildlife and Fisheries. 2025-01-13 — Introduced in House 2025-01-13 — Introduced in House 2025-01-13 — Referred to the House Committee on Natural Resources.

FULL SUMMARY

Every Drop Counts Act This bill expands the Bureau of Reclamation's Small Storage Program, which is a grant program for small surface water or groundwater storage projects in certain western states. First, the bill expands the types of projects that are eligible for grants under the program. Specifically, the bill makes a project eligible for a grant if the project (1) has water storage capacity of recharges no less than 200 acre-feet and no more than 150,000 acre-feet on an average annual basis over the life of the project for storage or use; and (2) increases groundwater aquifer storage, conveys water to or recovers water from groundwater storage, and stabilizes groundwater levels. Next, it extends Reclamation's authority to carry out the grant program for another five years.

COMMITTEES

Natural Resources Committee (House)

LINK TO BILL TEXT

[View Bill Text →](#)

LINK TO CONGRESS.GOV

[View on Congress.gov →](#)

BILL NUMBER

HR 1235

BILL TITLE

Federal Infrastructure Bank Act of 2025

CONGRESS

119th Congress

PROCESS STAGE



STATUS

In Committee

SPONSOR

Daniel Webster (R, FL-11)

COSPONSORS

Salud Carbajal (D, CA); Christopher Deluzio (D, PA); Melanie Stansbury (D, NM)

INTRODUCTION DATE

Feb 12, 2025

LAST ACTION

Feb 12, 2025 — Referred to the Subcommittee on Highways and Transit.

ACTION TIMELINE

2025-02-12 — Introduced in House
2025-02-12 — Introduced in House
2025-02-12 — 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.
2025-02-12 — 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.
2025-02-12 — 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.
2025-02-12 — Referred to the Subcommittee on Highways and Transit.

<p>FULL SUMMARY</p> <p>Federal Infrastructure Bank Act of 2025 This bill establishes the Federal Infrastructure Bank and the Federal Infrastructure Bank Holding Company (FIBHC). The bank shall be a wholly owned subsidiary of the FIBHC. The bank must provide equity investments, direct loans, and loan guarantees for the planning, predevelopment, design, construction, operation, or maintenance of revenue-producing infrastructure projects in the United States with sufficient revenue sources and guarantees to support the interest and principal payments to the bank. At least 10% of the loans, equity investments, and loan guarantees must be for infrastructure projects in rural areas. Entities eligible for loans, equity investments, and loan guarantees include corporations, joint ventures, states, and governmental entities. The bank is prohibited from providing funding for infrastructure projects that are owned, directed, controlled, financed, or influenced by the Chinese government or the Chinese Communist Party. The Board of Governors of the Federal Reserve System shall have oversight and supervisory authority over the FIBHC and the bank. The bank must establish an Infrastructure Guarantee Fund to cover loans...</p>		
<p>COMMITTEES</p> <p>Transportation and Infrastructure Committee (House); Ways and Means Committee (House); Financial Services Committee (House)</p>	<p>LINK TO BILL TEXT</p> <p>View Bill Text →</p>	<p>LINK TO CONGRESS.GOV</p> <p>View on Congress.gov →</p>

<p>BILL NUMBER</p> <p>HR 1871</p>	<p>BILL TITLE</p> <p>Water Conservation Rebate Tax Parity Act</p>	<p>CONGRESS</p> <p>119th Congress</p>
<p>PROCESS STAGE</p> <p>Introduced Committee Passed House Passed Senate To President Law</p>		<p>STATUS</p> <p>In Committee</p>
<p>SPONSOR</p> <p>Jared Huffman (D, CA-2)</p>	<p>COSPONSORS</p> <p>Blake Moore (R, UT); Judy Chu (D, CA); Brian Fitzpatrick (R, PA); Jim Costa (D, CA); Zachary Nunn (R, IA); Raul Ruiz (D, CA); Mike Levin (D, CA); Laura Friedman (D, CA); Norma Torres (D, CA); Julia Brownley (D, CA); Dave Min (D, CA); Gilbert Cisneros (D, CA)</p>	
<p>INTRODUCTION DATE</p> <p>Mar 05, 2025</p>	<p>LAST ACTION</p> <p>Mar 05, 2025 — Referred to the House Committee on Ways and Means.</p>	<p>ACTION TIMELINE</p> <p>2025-03-05 — Introduced in House 2025-03-05 — Introduced in House 2025-03-05 — Referred to the House Committee on Ways and Means.</p>


<p>FULL SUMMARY</p>		
<p>COMMITTEES</p> <p>Ways and Means Committee (House)</p>	<p>LINK TO BILL TEXT</p> <p>View Bill Text →</p>	<p>LINK TO CONGRESS.GOV</p> <p>View on Congress.gov →</p>

<p>BILL NUMBER</p> <p>HR 1894</p>	<p>BILL TITLE</p> <p>FISH Act of 2025</p>	<p>CONGRESS</p> <p>119th Congress</p>
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<p>PROCESS STAGE</p> <p>Introduced Committee Passed House Passed Senate To President Law</p>		<p>STATUS</p> <p>In Committee</p>
<p>SPONSOR</p> <p>Ken Calvert (R, CA-41)</p>	<p>COSPONSORS</p> <p>Jim Costa (D, CA); Doug LaMalfa (R, CA); Tom McClintock (R, CA); Darrell Issa (R, CA); Vince Fong (R, CA); Adam Gray (D, CA); Michael Lawler (R, NY)</p>	
<p>INTRODUCTION DATE</p> <p>Mar 06, 2025</p>	<p>LAST ACTION</p> <p>Mar 06, 2025 — Referred to the House Committee on Natural Resources.</p>	<p>ACTION TIMELINE</p> <p>2025-03-06 — Introduced in House 2025-03-06 — Introduced in House 2025-03-06 — Referred to the House Committee on Natural Resources.</p>
<p>FULL SUMMARY</p>		
<p>COMMITTEES</p> <p>Natural Resources Committee (House)</p>	<p>LINK TO BILL TEXT</p> <p>View Bill Text →</p>	<p>LINK TO CONGRESS.GOV</p> <p>View on Congress.gov →</p>


<p>BILL NUMBER</p> <p>HR 2766</p>	<p>BILL TITLE</p> <p>Special District Fairness and Accessibility Act</p>	<p>CONGRESS</p> <p>119th Congress</p>
<p>PROCESS STAGE</p> <p>Introduced Committee Passed House Passed Senate To President Law</p>		<p>STATUS</p> <p>In Committee</p>
<p>SPONSOR</p> <p>Pat Fallon (R, TX-4)</p>	<p>COSPONSORS</p> <p>Brittany Pettersen (D, CO); David Valadao (R, CA); Young Kim (R, CA); Doug LaMalfa (R, CA); Dan Newhouse (R, WA); Jay Obernolte (R, CA); Josh Harder (D, CA); Suzanne Bonamici (D, OR); Raul Ruiz (D, CA); Andrea Salinas (D, OR); Val Hoyle (D, OR); George Whitesides (D, CA); Ken Calvert (R, CA); Janelle Bynum (D, OR); Vince Fong (R, CA) <i>and 8 more</i></p>	
<p>INTRODUCTION DATE</p> <p>Apr 09, 2025</p>	<p>LAST ACTION</p> <p>Mar 18, 2026 — Ordered to be Reported (Amended) by the Yeas and Nays: 32 - 8.</p>	<p>ACTION TIMELINE</p> <p>2026-03-18 — Committee Consideration and Mark-up Session Held 2026-03-18 — Ordered to be Reported (Amended) by the Yeas and Nays: 32 - 8. 2025-04-09 — Introduced in House 2025-04-09 — Introduced in House 2025-04-09 — Referred to the House Committee on Oversight and Government Reform.</p>
<p>FULL SUMMARY</p>		

<p>COMMITTEES</p> <p>Oversight and Government Reform Committee (House)</p>	<p>LINK TO BILL TEXT</p> <p>View Bill Text →</p>	<p>LINK TO CONGRESS.GOV</p> <p>View on Congress.gov →</p>
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<p>BILL NUMBER</p> <p>HR 3035</p>	<p>BILL TITLE</p> <p>Restoring WIFIA Eligibility Act</p>	<p>CONGRESS</p> <p>119th Congress</p>
<p>PROCESS STAGE</p>  <p>Introduced Committee Passed House Passed Senate To President Law</p>		<p>STATUS</p> <p>In Committee</p>
<p>SPONSOR</p> <p>Jim Costa (D, CA-21)</p>	<p>COSPONSORS</p> <p>Dan Newhouse (R, WA); Brian Fitzpatrick (R, PA); Adam Gray (D, CA)</p>	<p>ACTION TIMELINE</p> <p>2025-04-28 — Introduced in House 2025-04-28 — Introduced in House 2025-04-28 — Referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Energy and Commerce, 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. 2025-04-28 — Referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Energy and Commerce, 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. 2025-04-28 — Referred to the Subcommittee on Water Resources and Environment.</p>
<p>INTRODUCTION DATE</p> <p>Apr 28, 2025</p>	<p>LAST ACTION</p> <p>Apr 28, 2025 — Referred to the Subcommittee on Water Resources and Environment.</p>	

FULL SUMMARY

<p>COMMITTEES</p> <p>Transportation and Infrastructure Committee (House); Energy and Commerce Committee (House)</p>	<p>LINK TO BILL TEXT</p> <p>View Bill Text →</p>	<p>LINK TO CONGRESS.GOV</p> <p>View on Congress.gov →</p>
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<p>BILL NUMBER</p> <p>S 1760</p>	<p>BILL TITLE</p> <p>Restoring WIFIA Eligibility Act of 2025</p>	<p>CONGRESS</p> <p>119th Congress</p>
<p>PROCESS STAGE</p>  <p>Introduced Committee Passed Senate Passed House To President Law</p>		<p>STATUS</p> <p>In Committee</p>

SPONSOR John Curtis (R, UT)	COSPONSORS Mark Kelly (D, AZ)	
INTRODUCTION DATE May 14, 2025	LAST ACTION May 14, 2025 — Read twice and referred to the Committee on the Budget.	ACTION TIMELINE 2025-05-14 — Introduced in Senate 2025-05-14 — Read twice and referred to the Committee on the Budget.
FULL SUMMARY		
COMMITTEES Budget Committee (Senate)	LINK TO BILL TEXT View Bill Text →	LINK TO CONGRESS.GOV View on Congress.gov →



EXHIBIT 3-A

Date: May 19, 2026

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

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

RE: Legislative Committee – May 26, 2026

At the Capitol, attention remains focused on negotiations following Governor Newsom's May Revision, which presented a more stable fiscal outlook than anticipated due to higher-than-expected revenues tied largely to stock market and AI-sector gains. Despite improved revenues, the Governor proposed few major new spending commitments, signaling a continued emphasis on fiscal restraint while protecting core priorities in education, climate resilience, and health care. Budget subcommittees are now shifting into high gear as legislative leaders begin identifying areas for augmentation and pushback ahead of the June 15 constitutional budget deadline.

On policy, legislators continue advancing priority measures through fiscal committees, with significant attention on housing, affordability, climate implementation, and local government finance. Water and climate discussions remain centered on resilience investments, drinking water reliability, and long-term infrastructure needs, while stakeholders are closely watching whether the Legislature seeks to add funding beyond the Governor's relatively restrained approach. Negotiations between the administration and legislative leadership are expected to intensify over the next several weeks as trailer bill language and final spending priorities take shape.

Budget Update

On May 14th, the Governor released his last May Revision and presented the Legislature a \$350 billion budget plan. The most surprising takeaway is the solid state of the economy, with an estimated \$16.5 billion above January projections. The Governor announced that this budget through 2027-28 is balanced with no deficit. This influx of funds however is heavily reliant on AI related IPO earnings and general market gains. Because of the volatility and uncertainty of these

factors, the Governor and the Legislature are emphasizing caution especially looking toward the out-years and a looming structural deficit.

Water/Climate Specific Revisions -

There were no major new General Fund augmentation for water programs. The May Revision largely maintains existing water and climate resilience investments rather than proposing a new statewide drought, storage, or drinking water package, reflecting the administration's deficit-management posture.

- Safe drinking water funding remains a key vulnerability. The administration did not propose a significant new backfill for the Safe and Affordable Drinking Water (SAFER) Fund, which supports interim bottled water, technical assistance, well mitigation, and consolidation of failing systems in disadvantaged communities. Roughly 600,000 Californians still lack safe drinking water access, and funding reliability is increasingly tied to cap-and-invest revenues.
- Heavy reliance on Proposition 4 climate bond funding for water investments continues. The budget continues implementation of previously approved bond funding for water resilience priorities, including water supply reliability, groundwater, ecosystem restoration, flood management, and drinking water infrastructure, rather than expanding General Fund commitments. LAO previously identified roughly \$792 million in proposed water-related Proposition 4 spending for 2026-27.
- Water resilience remains focused on adaptation to climate volatility. Budget messaging emphasizes preparing for more extreme hydrology ("whiplash" between drought and flood), watershed resilience, groundwater sustainability, and protecting State Water Project reliability as climate change reduces snowpack and shifts runoff timing.
- Delta/State Water Project reliability remains a policy priority. While not a large new appropriation item in May Revise, the administration continues prioritizing State Water Project modernization and conveyance reliability to improve long-term water delivery and climate resilience.

Here are the specific water investments being advanced/continued:

- \$232 million for flood management programs, including Delta levee maintenance (about \$60 million for Sacramento–San Joaquin Delta levees), floodplain and regional flood protection work.
- \$173 million for drinking water infrastructure, largely targeted at safe drinking water projects in disadvantaged communities through the State Water Board, including system consolidation, treatment, emergency reliability, and contaminated well mitigation.
- \$78 million for water recycling/reuse projects, aimed at improving long-term water supply reliability and drought resilience.

- Groundwater and instream flow investments (~\$20 million) are included, but notably delayed/scaled back in the near term while the administration develops guidelines and coordinates with groundwater sustainability agencies.
- State Water Project/Delta reliability remains a policy priority, but the May Revise does not contain a major new appropriation for conveyance or storage; instead, it continues planning and modernization efforts already underway.

Legislative Update

The Legislature is already over half-way through the second year of the 2025-26 legislative session, with the “house of origin” deadline approach on May 29th. Last week, both Houses released their Suspense Files, with the Senate “cleaving” about 29% of the bills and the Assembly had about a 27% “kill rate”. This is a higher than usual average, but to be expected given the apprehensiveness around the budget. *(Legislative Track Attached)*

This year MPWMD is sponsoring a bill, SB 1139 (Laird) which would clarify AB 1572 (Friedman – CH. 2023). SB 1139 gives MPWMD authority to enforce an existing prohibition against the use of potable water for the irrigation of nonfunctional turf located on commercial, industrial, and institutional properties, and on properties of homeowners’ associations, common interest developments, and community service organizations.

MPWMD’s General Manager and Assistant General Manager and JEA & Associates have been maintaining ongoing discussions with Senator Laird’s staff, committee staff, ACWA and other water agencies in finessing the language and quelling any concerns. SB 1139 was passed out of Senate Natural Resources, Senate Appropriations and the Floor as a consent item. It is currently awaiting committee referral at the Assembly Desk, where we will anticipate it going to Assembly Water, Parks & Wildlife and will have a hearing in the next 3-4 weeks.

Initiative Update

Qualified / Essentially Certain

1. Voter ID / Proof of Citizenship Initiative

Would require:

- Government-issued ID for voting
- Additional voter verification requirements
- Greater voter-roll maintenance and citizenship verification requirements.

2. Building an Affordable CA Act (Chamber driven)

This would significantly expedite or exempt certain projects especially infrastructure by limiting litigation and streamlining CEQA approvals

3. Local Revenue / Tax Limitation Measure (Howard Jarvis Sponsor)

- Raise thresholds for certain local special taxes (make voter-initiated taxes subject to 66.7% rather than 50%+1)
- Restrict some local taxing authority (restricts real estate transfer taxes, 2/3 vote for taxes on real property, could invalidate some existing local taxes retroactively.)
- Potentially limit revenue flexibility for local governments by making it harder to create targeted local taxes, thus fewer ways to raise capital and redirect it when needs change.

Likely to Qualify / Strong Momentum

4. Billionaire or Wealth Tax Measure

One-time tax on ultra-high-net-worth Californians (billionaires) to fund public priorities, particularly healthcare funding. Backers say they've submitted far more than the required signatures.

5. Counter-Tax / Tax-Limitation Measures

Business and tech-backed groups are already positioning measures designed to constrain future taxation authority or blunt wealth-tax efforts. Major donors have reportedly funded competing initiatives.

6. Election Governance / Democracy Measures

There are also governance-related measures circulating dealing with:

- Campaign financing
- Initiative thresholds
- Election administration rules.

Cease & Desist Order

The General Manager will provide details.

MPWMD Legislative Track

As of May 18, 2026

Measure	Author	Topic	Status	Summary	Notes
AB 35	Alvarez D	Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024: Administrative Procedure Act: exemption: program guidelines and selection criteria.	5/6/2026- Referred to Com. on N.R. & W.	Existing law, the Administrative Procedure Act, sets forth the requirements for the adoption, publication, review, and implementation of regulations by state agencies. The Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 (act), 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. Existing law authorizes certain regulations needed to effectuate or implement programs of the act to be adopted as emergency regulations in accordance with the Administrative Procedure Act, as provided. Existing law requires the emergency regulations to be filed with the Office of Administrative Law and requires the emergency regulations to remain in effect until repealed or amended by the adopting state agency. This bill, notwithstanding the above, would exempt the adoption of regulations needed to effectuate or implement programs of the act from the requirements	ACWA and CMUA in support

				of the Administrative Procedure Act, as provided. The bill would require a state entity that receives funding to administer a competitive grant program established using the Administrative Procedure Act exemption to do certain things, including develop draft project solicitation and evaluation guidelines and to submit those guidelines to the Secretary of the Natural Resources Agency, except as provided. The bill would require the Secretary of the Natural Resources Agency to post an electronic form of the guidelines submitted by a state entity and the subsequent verifications on the Natural Resources Agency's internet website. The bill would authorize the use of certain previously developed program guidelines and selection criteria for these purposes, as provided. This bill contains other related provisions and other existing laws.	
<u>AB 1548</u>	<u>Pellerin D</u>	Conservation: the Monterey Bay Area Stewardship Authority.	5/15/2026-Set for Hearing 5/18/2026	Existing law establishes various entities for specified purposes over specific geographic areas of the state, including the San Francisco Bay Restoration Authority and California Tahoe Regional Planning Agency, among others. This bill would establish the Monterey Bay Area Stewardship Authority, a regional entity with jurisdiction extending throughout the Monterey Bay region, as defined. The bill would provide that the purpose of the authority is to raise and allocate public and private funds for restoring, enhancing, protecting, engaging in long-term stewardship, and improving access for the enjoyment of natural and working lands, as defined, in the Counties of Monterey, San Benito, and Santa Cruz, as specified. The bill would establish a 9-member governing board to govern the authority that consists of county board of supervisors, city officials, and public members of these counties, as	For discussion

				<p>specified. The bill would require the board to, among other things, establish policies for the operation of the authority, and convene an advisory committee to assist and advise the board in carrying out its functions. The bill would authorize the authority to award grants to public and private entities for eligible projects, including projects that restore, protect, enhance, or maintain natural, working, or open space lands in the Counties of Monterey, San Benito, and Santa Cruz, as specified. The bill would also authorize the authority to, among other things, levy a benefit assessment, special tax, or property related fee, apply for and receive grants from federal and state agencies, solicit and accept gifts, fees, grants, and allocations from public and private entities, issue revenue bonds, incur general bond indebtedness, and enter into joint powers agreements, as provided. This bill contains other related provisions and other existing laws.</p>	
<u>AB 1945</u>	<u>Hadwick R</u>	Municipal utility districts: termination of service.	5/13/2026- Referred to Com. on L. GOV.	<p>The Municipal Utility District Act establishes the formation of a municipal utility district for the provision of light, heat, water, or power within the district's jurisdiction. The act prohibits a district furnishing light, heat, water, or power from terminating residential service on account of nonpayment of a delinquent account unless the district provides a notice of delinquency and an opportunity to cure, as provided. This bill would authorize districts to offer customers the option of electronically receiving the required notice of delinquency, as specified. The bill would authorize districts furnishing service to fewer than 100,000 customers to offer customers a prepay option, as defined, for electrical service if certain conditions are met, including, among other things, that the district</p>	

				provides the customer with information on returning to standard billing and issues automated low-balance alerts to the customer before suspending the customer's electrical service, as provided. The bill would specify that the notice requirement before termination of residential service of a customer does not apply to customers participating in the prepay option.	
<u>AB 1987</u>	<u>Aguiar-Curry D</u>	Department-managed lands: wildlife areas: hunting.	5/6/2026- Referred to Com. on N.R. & W.	Existing law requires the Department of Fish and Wildlife to operate department-managed lands on a nonprofit basis and authorizes the department to enter into contracts or other agreements for the management and operation of the department-managed lands with a nonprofit conservation group, as defined. Existing law authorizes the department to lease department-managed lands for agricultural activities if certain conditions are met and requires money collected from the lease of these lands to be deposited by the department in the Wildlife Restoration Fund or the Fish and Game Preservation Fund, and authorizes the department, upon appropriation by the Legislature, to use the funds to support the management, maintenance, restoration, and operations of department-managed lands. This bill would authorize the department to enter into contracts or other agreements for the management and operation of the department-managed lands for the purposes of administrating hunting or other public use programs. The bill would also require, upon appropriation by the Legislature, the above-described funds to be used by the department to support the management, maintenance, restoration, and operations of department-managed lands. This bill contains other	

				related provisions and other existing laws.	
<u>AB 2026</u>	<u>Aguiar-Curry D</u>	Water diversion: groundwater recharge: permit.	5/15/2026-Set for Hearing 5/18/2026	Existing 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, however, that the diversion of floodflows for groundwater recharge does not require an appropriative water right if certain conditions are met, including that a local or regional agency that has adopted a local plan of flood control or has considered flood risks as part of its most recently adopted general plan has given notice, as provided, of imminent risk of flooding and inundation of lands, roads, or structures. Existing law defines “floodflow” for these purposes to include circumstances in which flows would inundate ordinarily dry areas in the bed of a terminal lake to a depth that floods dairies and other ongoing agricultural activities, or areas with substantial residential, commercial, or industrial development. Existing law applies those requirements to diversions commenced before January 1, 2029. Existing law prohibits an entity from substantially diverting or obstructing the natural flow of, or substantially changing or using any material from the bed, channel, or bank of, any river, stream, or lake, or from depositing or disposing of certain material where it may pass into any river, stream, or lake, without first notifying the Department of Fish and Wildlife of that activity, and entering into a lake or streambed alteration agreement if required by the department to protect fish and wildlife resources, except as specified. This bill would revise and recast those conditions required for	ACWA Support/Amend

				the appropriate water right exemption for a diversion of floodflows for groundwater recharge, would apply the requirements to a diversion commenced before January 1, 2034, and would further exempt those diversions from the requirements of CEQA and requirements relating to lake or streambed alteration agreements, subject to conducting tribal consultation, as provided. The bill would expand the definition of “floodflow” to include flows downstream of a dam that is releasing water for flood control purposes, as provided. This bill contains other related provisions and other existing laws.	
<u>AB 2215</u>	<u>Calderon D</u>	Water rights: permits: State Water Project.	5/15/2026-Set for Hearing 5/18/2026	The Department of Water Resources operates the State Water Resources Development System, commonly referred to as the State Water Project. Existing law requires that construction work for a project that will put appropriated water to beneficial use be commenced, prosecuted with due diligence, and completed within the time period specified in the water right permit. Existing law authorizes the State Water Resources Control Board to extend the deadline specified in the permit to commence or complete construction work and to put appropriated water to beneficial use for good cause shown. This bill would require that the time periods for the application of water to beneficial use and for the completion of construction work for specific water right permits held by the Department of Water Resources for the operation of the State Water Project be December 31, 2046. This bill contains other existing laws.	
<u>AB 2469</u>	<u>Papan D</u>	Data centers: water use disclosures.	5/15/2026-Set for Hearing 5/18/2026	The Planning and Zoning Law authorizes the legislative body of any county or city to adopt ordinances that, among other things, regulate the use	ACWA Watch/Amen d

				<p>of buildings, structures, and land as between industry, businesses, residences, and open space, as specified. This bill would prohibit a city, county, or city and county from approving a discretionary or ministerial permit or other entitlement that would result in the construction, or an expansion that increases the maximum peak water use, of a data center unless specified conditions are satisfied, including, among others, that the applicant provides the city, county, or city and a county prescribed information. The bill would include in this prescribed information a water scarcity plan, a water supply assessment, and a water use assessment, each as provided. The bill would also include in the specified conditions that the construction or expansion is not within the boundaries of a groundwater basin designated as critically overdrafted by the Department of Water Resources, except as specified, and that the applicant assumes responsibility for the full cost of any required water conveyance, treatment or storage, or distribution infrastructure improvements necessary to serve the project, as determined by the Department of Water Resources or the applicable water supplier. By expanding the duties of local agencies to administer these provisions, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.</p>	
<u>AB 2568</u>	<u>Johnson R</u>	Water district directors: compensation.	5/12/2026-In Senate. Read first time. To Com. on RLS. for assignment.	Existing law authorizes a water district, as defined, to adopt an ordinance that provides compensation to members of the governing board, as specified. Existing law prohibits a water district from adopting an ordinance that compensates members of the governing board for more than a total of 10 days in any calendar	ACWA Favor

				<p>month. This bill would, until January 1, 2032, authorize a water district that has at least 90,000 residents within its jurisdiction to adopt an ordinance that compensates members of the governing board for up to a total of 15 days in any calendar month, but would require the members of the governing board of a water district that compensates its members for more than 10 days in a calendar month to annually adopt a written policy describing, based on a finding supported by substantial evidence, why providing compensation for more than 10 days per calendar month is necessary for the effective operation of the water district.</p>	
<u>AB 2728</u>	<u>Soria D</u>	Open and Transparent Water Data Act.	5/15/2026-Set for Hearing 5/18/2026	<p>Existing law, the Open and Transparent Water Data Act, requires the Department of Water Resources, the State Water Resources Control Board, and the Department of Fish and Wildlife to coordinate and integrate existing water and ecological data from local, state, and federal agencies for specified purposes, including, among others, improving the management of the state's water resources. This bill would specify for purposes of that provision that improving the management of the state's water resources includes improving the efficacy of management actions. This bill contains other related provisions and other existing laws.</p>	
<u>AB 2739</u>	<u>Soria D</u>	Water: affordability and system stabilization.	5/15/2026-Set for Hearing 5/18/2026	<p>Existing law establishes in the Natural Resources Agency the Department of Water Resources. Existing law vests in the department powers, duties, purposes, responsibilities, and jurisdiction in matters pertaining to water or dams. Existing law declares the responsibility of the state to assist local governments in providing certain essential services and facilities where water resource construction projects financed, in whole or in</p>	ACWA Support

part, by the state or by the state jointly with the federal government create an undue burden on a local area's ability to provide these services and facilities. 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. Existing law declares it to be the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes. This bill would establish in the State Treasury the Water Affordability and System Stabilization Fund for holding the principal and income of the Water Affordability and System Stabilization Trust, which the bill would create. The bill would designate the Treasurer as trustee of the trust, as specified, and would require the trustee, among other things, to hold, manage, and invest the principal of the trust with the obligation of providing a growing perpetual source of annual funding to the Water Rate Assistance Fund, administered by the state board, and the Community Water Affordability Assistance Fund, administered by the department, beginning 25 years after the Legislature transfers funding from the General Fund to the Water Affordability and System Stabilization Fund. This bill would require, during the first 25 years following the Legislature's transfer, 45% of the income of the trust to be transferred from the Water Affordability and System Stabilization Fund to each of the Water Rate Assistance Fund and the continuously appropriated Community Water Affordability Assistance Fund, and would continuously appropriate the remaining 10% of the income of the

				trust to be invested as part of the principal of the trust. After the first 25 years, the bill would require 50% of the income of the trust to be transferred from the Water Affordability and System Stabilization Fund to each of the Water Rate Assistance Fund and the Community Water Affordability Assistance Fund. This bill contains other related provisions and other existing laws.	
<u>SB 327</u>	<u>McNerney D</u>	Public utilities: review of accounts: electrical and gas corporations: rates: political influence activities.	5/7/2026- From committee with author's amendments. Read second time and amended. Re-referred to Com. on U. & E.	Existing law authorizes the Public Utilities Commission to fix the rates and charges for public utilities, including electrical corporations and gas corporations, and requires those rates and charges to be just and reasonable. Under existing law, a regulated public utility is prohibited from using ratepayer funds for advocacy-related activities that are political or do not otherwise benefit ratepayers. Existing law prohibits each electrical corporation or gas corporation from recording to an above-the-line account, or otherwise recovering from ratepayers, direct or indirect costs of specified activities. This bill would additionally prohibit, except as provided, each electrical corporation or gas corporation from recording to an above-the-line account, or otherwise recovering from ratepayers, the direct or indirect costs of activities related to opposing the municipalization of electrical or gas utility service, as specified. This bill contains other related provisions and other existing laws.	
<u>SB 1125</u>	<u>Menjivar D</u>	Water Rate Assistance Program.	5/14/2026- From committee: Do pass as amended. (Ayes 6. Noes	Existing law requires the State Water Resources Control Board 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	ACWA Support if Amended

			<p>1.) (May 14). Read second time and amended. Ordered to second reading. (Amended text released 5/15/2026)</p>	<p>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, available upon appropriation by the Legislature, to provide water affordability assistance for residential water 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, tracking and managing revenue in 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 to 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, at the request of the state board, 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>	
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<u>SB 1139</u>	<u>Laird D</u>	Monterey Peninsula Water Management District: nonfunctional turf: noncompliance and enforcement.	4/20/2026- Read third time. Passed. (Ayes 38. Noes 0.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.	The Monterey Peninsula Water Management District Law establishes the Monterey Peninsula Water Management District. The act authorizes the district to, among other things, prohibit the use of district water during an emergency caused by drought, or other threatened or existing water shortage, for specific uses that the district finds to be nonessential. Existing law prohibits the use of potable water 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. Existing law requires a person or entity to be subject to civil liability or penalties by the State Water Resources Control Board, as prescribed, or to civil liability and penalties imposed by an urban water supplier, pursuant to a locally adopted ordinance or policy. Existing law authorizes a public water system, city, county, or city and county to enforce the provisions relating to the prohibition, as specified. This bill would require a person or entity to be subject to civil liability or penalties imposed by the Monterey Peninsula Water Management District pursuant to a locally adopted ordinance or policy. The bill would authorize the Monterey Peninsula Water Management District to enforce the provisions relating to the prohibition, as specified. This bill would make legislative findings and declarations as to the necessity of a special statute for	MPWMD Sponsored

				the Monterey Peninsula Water Management District.	
<u>SB 1153</u>	<u>Caballero D</u>	Disaster preparedness: urban retail water suppliers and public water systems: wildfire.	5/14/2026- From committee: Do pass. (Ayes 7. Noes 0.) (May 14). Read second time. Ordered to third reading.	Existing law, the California Emergency Services Act, requires all public water systems, as defined, with 10,000 or more service connections to review and revise their disaster preparedness plans in conjunction with related agencies, including, but not limited to, local fire departments and the Office of Emergency Services, to ensure that the plans are sufficient to address possible disaster scenarios. A person, as defined, who violates the provisions of this act is guilty of a misdemeanor. This bill, beginning January 1, 2028, would require all urban retail water suppliers, as defined, serving a high or very high fire hazard severity zone to include incident-specific response procedures for wildfires as part of their disaster preparedness plans, including any applicable emergency response plan as required by federal law. The bill would require these plans to include, among other things, mitigation actions, including actions, procedures, and equipment, that can obviate or significantly lessen the impact of a wildfire on the water system and the supply of drinking water provided by the water supplier. Because violation of these requirements by certain urban retail water suppliers would constitute a misdemeanor, the bill would expand the scope of a crime, thereby imposing a state-mandated local program. This bill would provide that the inability of a public water system to maintain water supply or water pressure during a wildfire shall not be considered a substantial cause of the damages resulting from a wildfire, and that the spread of wildfire shall not be considered an inherent risk presented by the deliberate design, construction, or maintenance of a public water system. This bill contains other related	ACWA Sponsored

				provisions and other existing laws.	
<u>SB 1417</u>	<u>Pérez D</u>	Mutual water companies: assessments and water charges: notice.	4/23/2026- Read second time and amended. Ordered to third reading.	Existing law authorizes any corporation organized for or engaged in the business of selling, distributing, supplying, or delivering water for irrigation purposes, and requires any corporation organized for or engaged in the business of selling, distributing, supplying, or delivering water for domestic use, to provide in its articles or bylaws that water shall be sold, distributed, supplied, or delivered only to owners of its shares and that those shares are appurtenant to certain lands, as specified. Under existing law, these corporations are known as mutual water companies. This bill would prohibit a mutual water company from charging, issuing a bill, or otherwise seeking to hold tenants of shareholders responsible for the costs of water or its delivery, except for specified tenants, and would require all notices of charges for water to be sent to the last known address of the shareholder or tenant, as applicable. This bill contains other related provisions and other existing laws.	ACWA OUA