

**STATE WATER RESOURCES CONTROL BOARD  
RESOLUTION NO. 2025-0039**

ADOPTING A REGULATION TO ADJUST WATER RIGHT CIVIL PENALTIES IN  
WATER CODE SECTIONS 1052, 1845, 1846, 1846.5, 1847, AND 5107 FOR  
INFLATION UNDER AB 460 (BAUER-KAHAN, 2024).

**WHEREAS:**

1. In 2024, the State of California enacted Assembly Bill 460 (AB 460), which requires the State Water Resources Control Board (“State Water Board” or “Board”) to adjust water right civil liability or penalty amounts in Division 2 of the Water Code for inflation by January 1, 2026, and then by January 1 of each following year, via regulation.
2. AB 460 requires the Board to adjust civil liability or penalty amounts for inflation, as established by the amount by which the California Consumer Price Index (CPI) for the month of June of the year prior to the adjustment exceeds the CPI for June of the calendar year in which legislation was last enacted establishing or amending the maximum amount of the liability or penalty.
3. The relevant CPI for a regulation taking effect on January 1, 2026, is the CPI for June 2025.
4. The CPI for June 2025 is 353.044.
5. State Water Board staff prepared a draft regulation based on the June 2025 CPI.
6. The draft regulation increases water right civil penalties in Water Code sections 1052, 1845, 1846, 1846.5, 1847, and 5107.
7. Regulations implementing AB 460 are exempted from the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

THEREFORE BE IT RESOLVED THAT:

The State Water Board:

1. Finds that the draft regulation prepared by State Water Board staff adequately implements AB 460.
2. Adopts the draft regulation with an effective date of January 1, 2026.
3. Directs State Water Board staff to file the regulation with the office of the California Secretary of State.
4. Directs State Water Board staff to file a report with the California Legislature, pursuant to AB 460.

#### **CERTIFICATION**

The undersigned Clerk to the Board does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Resources Control Board held on December 2, 2025.

AYE: Chair E. Joaquin Esquivel  
Board Member Sean Maguire  
Board Member Laurel Firestone  
Board Member Nichole Morgan

NAY: None

ABSENT: Vice Chair Dorene D'Adamo

ABSTAIN: None

  
Courtney Tyler  
Clerk to the Board