

**STATE WATER RESOURCES CONTROL BOARD  
BOARD WORKSHOP SESSION – DIVISION OF FINANCIAL ASSISTANCE  
AUGUST 18, 2021**

**ITEM 8**

**SUBJECT**

PUBLIC WORKSHOP ON THE DRAFT FY 2021-22 FUND EXPENDITURE PLAN FOR THE SAFE AND AFFORDABLE DRINKING WATER FUND

**DISCUSSION**

The Safe and Affordable Drinking Water Fund (Fund) was established through Senate Bill 200 (SB200) in July 2019. The Fund provides up to \$130 million per year to develop and implement solutions for water systems and domestic wells that are not sustainable or have violations of drinking water standards. Types of projects include, but are not limited to, consolidation with a larger system, extension of service, provision of interim replacement water, planning assistance, reducing and supporting operations and maintenance costs, and providing administrators. Projects generally must benefit a disadvantaged community or low-income households or communities.

The State Water Board adopted the [Policy for Developing the Fund Expenditure Plan](#) (Policy) for the Fund. The Policy establishes and documents the State Water Board's direction on how the Fund Expenditure Plan (the Plan) is to be developed. The Policy identifies and defines key terms and metrics; describes how proposed remedies will be identified, evaluated, prioritized, and included in the Plan; establishes a petition process for consideration of consolidation orders for disadvantaged communities, and includes a public hearing requirement.

The State Water Board is updating the Plan, which is an annual document required by the Safe and Affordable Drinking Water statute which documents past and planned expenditures and prioritizes projects for funding. The Draft Plan for FY 2021-2022 is informed by an annual statewide [drinking water needs assessment](#), which was first published in April 2021, and developed in consultation with stakeholders. The Fund Expenditure Plan discusses funding capacity and distribution of funds; prioritization of solutions for water systems, administrators, technical assistance, interim solutions, emergencies, operation and maintenance, state smalls, and households supplied by domestic wells; other activities (e.g., community engagement and workforce development); financing and programmatic requirements; goals, and metrics.

The Draft Plan is expected to be released on August 6, 2021 and discussed at the SAFER Advisory Group meeting on August 12, 2021. At the State Water Board Workshop, staff will discuss the Draft Plan and receive preliminary comments. Public comments will be due by 12:00 p.m. (noon) on August 27, 2021.

**POLICY ISSUE**

Discuss the draft FY 2021-22 Fund Expenditure Plan.

**FISCAL IMPACT**

The Plan is an annual document required by statute which will document past and planned expenditures and prioritize projects for funding.

**REGIONAL BOARD IMPACT**

Eligible projects statewide may be funded by the Fund and will require collaboration and engagement between DFA and Division of Drinking Water Districts and, in some cases, with the Regional Water Quality Control Boards.

**STAFF RECOMMENDATION**

None.