

# **D R A F T**

## **STATE WATER RESOURCES CONTROL BOARD RESOLUTION NO. 2023-**

**ADOPTING GUIDELINES FOR THE CALIFORNIA EXTENDED WATER AND WASTEWATER ARREARAGE PAYMENT PROGRAM (EXTENDED ARREARAGE PROGRAM) AND DELEGATING AUTHORITY TO THE DEPUTY DIRECTOR OF THE DIVISION OF DRINKING WATER, THE DEPUTY DIRECTOR OF THE DIVISION OF WATER QUALITY, AND THE DEPUTY DIRECTOR OF THE DIVISION OF FINANCIAL ASSISTANCE TO ADMINISTER THE EXTENDED ARREARAGE PROGRAM**

### **WHEREAS:**

1. The State Water Resources Control Board (State Water Board) previously provided payments to community water systems, wastewater treatment providers, and wastewater billing entities to forgive residential and commercial customer arrearages that accrued during the COVID-19 pandemic bill relief period of March 4, 2020 through June 15, 2021.
2. The State Water Resources Control Board has approximately \$600 million available from the Budget Act of 2021 (Senate Bill 129, Stats. 2021, ch. 69, § 128) and the Budget Act of 2023 (Assembly Bill 102, Stats. 2023, ch. 38 § 116) from the Coronavirus Fiscal Recovery Fund for payment to community water systems and wastewater treatment providers, including wastewater billing entities, to forgive COVID-19 related residential and commercial customer arrearages that accrued during the COVID-19 pandemic bill relief period.
3. A budget trailer bill (Senate Bill 122, Stats. 2023, ch. 51) extended the COVID-19 pandemic bill relief period through December 31, 2022 (Extended Arrearage Program). These funds are to be distributed to all eligible applicants, or proportionally distributed if application amounts exceed the funded amount.
4. Chapter 4.7 (commencing with Section 116773) of part 12 of division 104 of the Health and Safety Code (Arrearages Statute) establishes the requirements for the Extended Arrearage Program.
5. The Guidelines were released for public comment on August 25, 2023, and staff held a public information workshop/webinar on September 21, 2023.
6. The Guidelines establish the criteria and processes the State Water Board will use to administer the Extended Arrearage Program.
7. To promote efficiency and to expeditiously execute the Extended Arrearage Program, it is desirable to delegate authority to the Deputy Director of the Division of Drinking Water, or designee, the Deputy Director of the Division of

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Water Quality, or designee, and the Deputy Director of the Division of Financial Assistance, or designee, to administer the Extended Arrearage Program, including, but not limited to, making eligibility determinations and enforcing requirements in accordance with the Arrearages Statute, and approving and issuing payments of Extended Arrearage Program funds.

8. The State of California is subject to federal penalties for improper use of Extended Arrearage Program funds, and the Arrearages Statute provides for remittance of funds improperly received or used by Extended Arrearage Program recipients to the State Water Board. The Department of Finance or the State Auditor may separately audit and seek recovery from Extended Arrearage Program recipients. It is desirable to delegate to designated staff the authority to refer appropriate cost recovery matters to the California Attorney General.

THEREFORE, BE IT RESOLVED THAT:

The State Water Board:

1. Adopts the California Extended Water and Wastewater Arrearage Payment Program Guidelines.
2. Authorizes the Deputy Director of the Division of Drinking Water, or designee, the Deputy Director of the Division of Water Quality, or designee, and the Deputy Director of the Division of Financial Assistance, or designee, to administer the Extended Arrearage Program, including, but not limited to, making eligibility determinations, enforcing requirements in accordance with the Arrearages Statute, and approving and issuing payments of Extended Arrearage Program funds.
3. Authorizes the Deputy Director of the Division of Financial Assistance, with the concurrence of the Chief Counsel, to initiate processes to recover Extended Arrearage Program funds in appropriate cases, including, but not limited to, referring cost recovery requests to the Attorney General.

## **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 October 3, 2023.

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Courtney Tyler  
Clerk to the Board