# **California Statutes Related to Drinking Water**

**SEPTEMBER 28, 2018** 

#### Important note:

Before citing any statute, the text of the statute should be confirmed by visiting California's Legislative Information website at: <u>http://leginfo.legislature.ca.gov/faces/codes.xhtml</u>. Please report any discrepancies between this document and the content of that website to <u>Michael.McKibben@waterboards.ca.gov</u>.

#### About this update of Drinking Water-Related Statutes:

• Sections that have been revised or added since the last version of **this** document are typically highlighted in yellow. Revisions or additions may not necessarily be due to recent legislative actions.

• Section headings have been added to ease finding a subject. Section headings are **not** typically included in official codes. Those depicted in this document may not be a true representation of the subject of the statutory section.

• There may be statutes related to drinking water that are not included in this document.

• For information pertaining to drinking water-related **regulations**, as well as graywater and recycled water-related statutes and regulations, please visit:

http://www.waterboards.ca.gov/drinking\_water/certlic/drinkingwater/Lawbook.shtml

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# **CORPORATION CODE**

#### DIVISION 3. CORPORATIONS FOR SPECIFIC PURPOSES PART 7. GENERAL PROVISIONS APPLICABLE TO CERTAIN CORPORATIONS CHAPTER 1. WATER COMPANIES §14300.

(a) Any corporation organized for or engaged in the business of selling, distributing, supplying, or delivering water for irrigation purposes may provide, and any corporation organized for or engaged in the business of selling, distributing, supplying, or delivering water for domestic use shall provide, in its articles or bylaws that water shall be sold, distributed, supplied, or delivered only to owners of its shares and that the shares shall be appurtenant to certain lands when the same are described in the certificate issued therefor; and when the certificate is so issued and a certified copy of the articles or bylaws recorded in the office of the county recorder in the county where the lands are situated the shares of stock shall become appurtenant to the lands and shall only be transferred therewith, except after sale or forfeiture for delinquent assessments thereon as provided in Section 14303. Notwithstanding this provision in its articles or bylaws, any such corporation may sell water to the state, or any department or agency thereof, or to any school district, or to any public agency, or, to any other mutual water company or, during any emergency resulting from fire or other disaster involving danger to public health or safety, to any person at the same rates as to holders of shares of the corporations; and provided further, that any corporation may enter into a contract with a county fire protection district to furnish water to fire hydrants and for fire suppression or fire prevention purposes at a flat rate per hydrant or other connection. In the event lands to which any stock is appurtenant are owned or purchased by the state, or any department or agency thereof, or any school district, or public agency, the stock shall be canceled by the secretary, but shall be reissued to any person later acquiring title to the land from the state department, agency, or school district, or public agency.

(b) A corporation described in subdivision (a) shall be known as a mutual water company.

#### <u>§14300.5</u>

For purposes of this chapter, "public water system" shall have the same meaning as provided in Section 116275 of the Health and Safety Code.

#### <u>§14301</u>

A corporation, including a nonprofit corporation organized for or engaged in the business of developing, distributing, supplying, or delivering water for irrigation or domestic use, or both, may provide in its articles, or may amend its articles to provide, that its only purpose shall be to develop, distribute, supply, or deliver water for irrigation or domestic use, or both, to its members or shareholders, at actual cost plus necessary expenses. The amendment of the articles may be accomplished by:

(a) The passage by a three-fourths vote of the members of the board of directors of the corporation of a resolution adopting as the purpose of the corporation the purpose set forth in this section.

(b) The signing, verification, and filing of a certificate setting forth the resolution and the manner of its adoption.

The corporation shall not distribute any gains, profits, or dividends to its members or shareholders except upon the dissolution of the corporation.

#### <u>§14301.1</u>

(a) No later than December 31, 2012, each mutual water company that operates a public water system shall submit to the local agency formation commission for its county a map depicting the approximate boundaries of the property that the mutual water company serves.

(b) A mutual water company that operates a public water system shall respond to a request from a local agency formation commission, located within a county that the mutual water company operates in, for information in connection with the preparation of municipal service reviews or spheres of influence pursuant to Chapter 4 (commencing with Section 56425) of Part 2 of Division 3 of Title 5 of the Government Code within 45 days of the request. The mutual water company shall provide all reasonably available nonconfidential information relating to the operation of the public water system. The mutual water company shall explain, in writing, why any requested information is not reasonably available. The mutual water company shall not be required to disclose any information pertaining to the names, addresses, or water usage of any specific shareholder. This subdivision shall not be interpreted to require a mutual water company to undertake any study or investigation. A mutual water company may comply with this section by submitting to the local agency formation commission the same information that the mutual water company submitted to the State Department of Public Health.

(c) A mutual water company that operates a public water system shall be subject to the requirements of, and has the powers granted by, subdivision (b) of Section 116755 of the Health and Safety Code.

#### <u>§14301.2</u>

Each board member of a mutual water company that operates a public water system shall comply with the training requirements set out in subdivision (a) of Section 116755 of the Health and Safety Code.

#### <u>§14301.3</u>

(a) All construction on public water systems operated by a mutual water company shall be designed and constructed to comply with the applicable California Waterworks standards, as provided in Chapter 16 of Title 22 of the California Code of Regulations.

(b) A mutual water company that operates a public water system shall maintain a financial reserve fund for repairs and replacements to its water production, transmission, and distribution facilities at a level sufficient for continuous operation of facilities in compliance with the federal Safe Drinking Water Act (42 U.S.C. Sec. 300f et seq.) and the California Safe Drinking Water Act (Chapter 4 (commencing with 116270) of Part 12 of Division 104 of the Health and Safety Code).

# <u>§14302</u>

Whenever the owner of real property to which water stock by the terms of the certificate thereof is appurtenant at the time of conveyance, by properly executed conveyance, transfers to another the real property with the appurtenances belonging to the property, or whenever title to the property passes by execution sale, or by foreclosure or probate proceedings, the secretary of the water company that issued the stock shall, upon exhibition to him or her of a deed of the land duly recorded, or the necessary court order duly recorded, issue to the grantee named in the conveyance a new certificate of stock for the number of shares appurtenant to the land as shown by the books and records of the company. The secretary of the water company shall enter the name of the grantee upon the books of the company as the owner of the shares of stock and shall cancel on the books the number of former shares of stock so appurtenant to the land in the name of the grantor or of any previous owner of the land, or of any other person.

## <u>§14303</u>

A corporation organized for or engaged in the business of selling, distributing, supplying, or delivering water for irrigation purposes or domestic use, and not as a public utility, may levy assessments upon its shares, whether or not fully paid, unless otherwise provided in its articles or bylaws. If any shares of the corporation that have been made appurtenant to any land as provided in this chapter, become delinquent in the payment of assessments, the right to receive water or dividends thereon may be denied, and they may be sold and transferred without those lands as if not appurtenant thereto, and the purchaser shall acquire the right to receive water as provided in the articles or bylaws of the corporation, or they may be forfeited to the corporation.

## <u> §14304 – Liens against shareholders</u>

If a shareholder of a mutual water company has not timely paid any rate, charge, or assessment arising from, or related to, water service provided by the mutual water company to the shareholder's property, and if authorized by its articles or bylaws, then after providing at least 20 days' written notice to the shareholder, the board of directors of the mutual water company may authorize the recording of a notice of lien against that shareholder's property to secure the collection of the rates, charges, and assessments owed to the mutual water company by the shareholder.

# <u> §14305 – Mutual Water Company Open Meeting Act</u>

(a)

(1) This section shall be known and may be cited as the Mutual Water Company Open Meeting Act.

(2) This section shall only apply to a mutual water company that operates a public water system.

(b)

(1)

(A) A board of directors of a mutual water company shall allow an eligible person to personally attend a meeting of the board, if the eligible person gave the board at least 24 hours advance written notice of his or her intent to personally attend the meeting.

(B) Notwithstanding any other law, the board of directors may use teleconferencing to provide any eligible person access to the meeting that otherwise would be denied attendance at a meeting of the board for failure to provide this notice, or because the number of eligible persons having already provided notice of attendance exceeds the room capacity of the place of the meeting described in the notice issued pursuant to subdivision (f). The teleconferenced meeting or proceeding shall comply with this section and all other applicable provisions of law relating to a specific type of meeting or proceeding conducted by a mutual water company. If the board uses teleconferencing, the board shall provide to an eligible person attending a meeting by teleconference, before the meeting begins, an electronic copy or photocopy of all documents not related to an executive session to be discussed at the meeting. A board of directors of a mutual water company shall not prohibit an eligible person from attending a meeting of the board either in person, so long as the eligible person has complied with the notice requirement of paragraph (A), or by teleconference except as provided by paragraph (2). A board of directors may allow an eligible person to attend the meeting personally in lieu of using teleconferencing pursuant to this paragraph.

(C) For purposes of this subdivision, the term "teleconference" means, to the extent it is technologically feasible, any electronic means, that includes either audio or video or both, that allows an eligible person to hear a meeting and verbally interact with the board, including, but not limited to, a telephone, cellular telephone with speaker phone technology, or computer, or a device using internet-based video or audio conference technology.

(2) A board of directors of a mutual water company shall only meet in executive session during a meeting. A board may prohibit an eligible person from attending an executive session to consider pending or potential litigation, matters relating to the formation of contracts with third parties, including matters relating to the potential acquisition of real property or water rights, member or shareholder discipline, personnel matters, or to meet with a member or shareholder, upon the member or shareholder's request, regarding the member or shareholder's payment of assessments, as specified in Section 14303.

(3) The board of directors of a mutual water company shall meet in executive session, if requested by a member or shareholder who may be subject to a fine, penalty, or other form of discipline, and the member shall be entitled to attend the executive session.

(4) An eligible person shall be entitled to attend a teleconference meeting, as specified in paragraph (3) of subdivision (0), or the portion of the teleconference meeting that is open to eligible persons, and shall be entitled to attend with or without fulfilling the notice requirement in paragraph (1). The teleconference meeting or portion of the meeting that is open to eligible persons shall be audible to the eligible person in a location specified in the notice of the meeting.

(c) Any matter discussed in executive session shall be generally noted in the minutes of the meeting at which the executive session occurred.

(d) The minutes, minutes proposed for adoption that are marked to indicate draft status, or a summary of the minutes, of any meeting of the board of directors of a mutual water company, conducted on or after January 1, 2014, other than an executive session, shall be available to eligible persons within 30 days of the meeting. The minutes, proposed minutes, or summary minutes shall be provided to any eligible person upon request and upon reimbursement of the mutual water company's costs for providing the minutes.

(e) The pro forma budget required in Section 14306 shall be available to eligible persons within 30 days of the meeting at which the budget was adopted. The budget shall be provided to any eligible person upon request and upon reimbursement of the mutual water company's costs.

(f) Unless the bylaws provide for a longer period of notice, eligible persons shall be given notice of the time and place of a meeting as defined in subdivision (o), except for an emergency meeting, at least four days prior to the meeting. Notice shall be given by posting the notice in a prominent, publicly accessible place or places within the territory served by the mutual water company and by mail to any eligible person who had requested notification of board meetings by mail, at the address requested by the eligible person. Eligible persons requesting notice by mail shall pay the costs of reproduction and mailing of the notice in advance. Notice may also be given by mail, by delivery of the notice to each unit served by the mutual water company, or, with the consent of the eligible person, by electronic means. The notice shall contain the agenda for the meeting.

(g) An emergency meeting of the board may be called by the chief executive officer of the mutual water company, or by any two members of the board of directors other than the chief executive officer, if there are circumstances that could not have been reasonably foreseen which require immediate attention and possible action by the board, and which of necessity make it impracticable to provide notice as required by this section.

(h) The board of directors of a mutual water company shall permit any eligible person to speak at any meeting of the mutual water company or the board of directors, except for any portion of a meeting that is held in executive session outside the presence of eligible persons. A reasonable time limit for all eligible persons to speak to the board of directors or before a meeting of the mutual water company shall be established by the board of directors.

(i)

(1) Except as described in paragraphs (2) to (4), inclusive, the board of directors of the mutual water company shall not discuss or take action on any item at a nonemergency meeting unless the item was placed on the agenda included in the notice that was posted and distributed pursuant to subdivision (f). This subdivision does not prohibit an eligible person who is not a member of the board from speaking on issues not on the agenda.

(2) Notwithstanding paragraph (1), a member of the board of directors, mutual water company officers, or a member of the staff of the mutual water company, may do any of the following:

(A) Briefly respond to statements made or questions posed by a person speaking at a meeting as described in subdivision (h).

(B) Ask a question for clarification, make an announcement, or make a brief report on his or her own activities, whether in response to questions posed by an eligible person or based upon his or her own initiative.

(3) Notwithstanding paragraph (1), the board of directors or a member of the board of directors, subject to rules or procedures of the board of directors, may do any of the following:

(A) Provide a reference to, or provide other resources for factual information to, the mutual water company's officers or staff.

(B) Request the mutual water company's officers or staff to report back to the board of directors at a subsequent meeting concerning any matter, or take action to direct the mutual water company's officers or staff to place a matter of business on a future agenda.

(C) Direct the mutual water company's officers or staff to perform administrative tasks that are necessary to carry out this subdivision.

(4)

(A) Notwithstanding paragraph (1), the board of directors may take action on any item of business not appearing on the agenda posted and distributed pursuant to subdivision (f) under any of the following conditions:

(i) Upon a determination made by a majority of the board of directors present at the meeting that an emergency situation exists. An emergency situation exists if there are circumstances that could not have been reasonably foreseen by the board, that require immediate attention and possible action by the board, and that, of necessity, make it impracticable to provide notice.

(ii) Upon a determination made by the board by a vote of two-thirds of the members present at the meeting, or, if less than two-thirds of total membership of the board is present at the meeting, by a unanimous vote of the members present, that there is a need to take immediate action and that the need for action came to the attention of the board after the agenda was posted and distributed pursuant to subdivision (f).

(iii) The item appeared on an agenda that was posted and distributed pursuant to subdivision (f) for a prior meeting of the board of directors that occurred not more than 30 calendar days before the date that action is taken on the item and, at the prior meeting, action on the item was continued to the meeting at which the action is taken.

(B) Before discussing any item pursuant to this paragraph, the board of directors shall openly identify the item to the members in attendance at the meeting.

#### (j)

(1) Notwithstanding any other law, the board of directors shall not take action on any item of business outside of a meeting.

(2)

(A) Notwithstanding any other provision of law, the board of directors shall not conduct a meeting via a series of electronic transmissions, including, but not limited to, electronic mail, except as specified in subparagraph (B).

(B) Electronic transmissions may be used as a method of conducting an emergency meeting if all members of the board, individually or collectively, consent in writing to that action, and if the written consent or consents are filed with the minutes of the meeting of the board. These written consents may be transmitted electronically.

#### (k)

(1) An eligible person may bring a civil action for declaratory or equitable relief for a violation of this section by a mutual water company for which he or she is defined as an eligible person for a judicial determination that an action taken by the board is null and void under this section.

(2) Prior to the commencement of an action pursuant to paragraph (1), the eligible person shall make a demand on the board to cure or correct the action alleged to be taken in violation of this section. The demand shall be in writing, and submitted within 90 days from the date the action was taken. The demand shall state the challenged action of the board and the nature of the alleged violation.

(3) Within 30 days of receipt of the demand, the board shall cure or correct the challenged action and inform the demanding party in writing of its actions to cure or correct, or inform the demanding party in writing of its decision not to cure or correct the challenged action.

(4) Within 15 days of receipt of the written notice of the board's decision to cure or correct or not to cure or correct, or within 15 days of the expiration of the 30-day period to cure or correct, whichever is earlier, the demanding party shall commence the action pursuant to paragraph (1). If the demanding party fails to commence the action pursuant to paragraph (1), that party shall be barred from commencing the action thereafter.

(l) A board action that is alleged to have been taken in violation of this section shall not be determined to be void if the action taken was in substantial compliance with this section.

(m) The fact that the board of directors of a mutual water company takes subsequent action to cure or correct an action taken pursuant to this section shall not be construed as, or admissible as evidence of, a violation of this section.

(n) An eligible person who prevails in a civil action to enforce his or her rights pursuant to this section shall be entitled to reasonable attorney's fees and court costs. A prevailing mutual water company shall not recover any costs, unless the court finds the action to be frivolous, unreasonable, or without foundation.

(o) As used in this section:

(1) "Eligible person" means a person who is any of the following:

(A) A shareholder or member of the mutual water company.

(B) A person who is an occupant, pursuant to a lease or a rental agreement, of commercial space or a dwelling unit to which the mutual water company sells, distributes, supplies, or delivers drinking water.

(C) An elected official of a city or county who represents people who receive drinking water directly from the mutual water company on a retail basis.

(D) Any other person eligible to participate in the mutual water company's meetings under provisions of the company's articles or bylaws.

(2) "Item of business" means any action within the authority of the board, except those actions that the board has validly delegated to any other person or persons, officer of the mutual water company, or committee of the board comprising less than a majority of the directors.

(3) "Meeting" means either of the following:

(A) A congregation of a majority of the members of the board at the same time and place to hear, discuss, or deliberate upon any item of business that is within the authority of the board.

(B) A teleconference in which a majority of the members of the board, in different locations, are connected by electronic means, through audio or video or both. A teleconference meeting shall be conducted in a manner that protects the rights of members of the mutual water company and otherwise complies with the requirements of this title. The notice of the teleconference meeting shall identify at least one physical location so that members of the mutual water company may attend and at least one member of the board of directors or a person designated by the board shall be present at that location. Participation by board members in a teleconference meeting are able to hear one another and members of the mutual water company speaking on matters before the board.

(4) "Mutual water company" means a mutual water company, as defined in Section 14300, that operates a public water system, as defined in Section 14300.5.

#### §14306 – Mutual Water Company Annual Budget and Review

(a) The board of a mutual water company that operates a public water system shall adopt, in an open meeting, an annual budget on or before the start of each fiscal year of the mutual water company.

(b) The board of a mutual water company that operates a public water system shall contract with a certified public accountant or public accountant to conduct an annual review of the financial records and reports of the mutual water company. The review shall be subject to generally accepted accounting standards.

(c) Eligible persons may request a copy of the report, and shall reimburse the mutual water company for the costs of providing the report.

(d) For purposes of this section, the term "eligible persons" has the same meaning as that term is defined in subdivision (o) of Section 14305.

#### <u>§14307 – Mutual Water Company Records Requests</u>

(a)

(1) Unless its governing documents impose more stringent standards, a mutual water company that operates a public water system shall make the following records promptly available upon written request to an eligible person upon payment of fees covering direct costs of duplication:

(A) Agendas and minutes of board meetings conducted on or after January 1, 2014.

(B) A copy of an annual budget adopted pursuant to subdivision (a) of Section 14306.

(C) A copy of an accounting report prepared pursuant to subdivision (b) of Section

14306.

(D) A copy of any records reporting the results of a water quality test.

(E) A copy of an annual report that has been distributed to the mutual water company's shareholder or members.

(2) Any request for records pursuant to this subdivision shall be limited to the three calendar years preceding the written request for the records.

(b) For the purposes of this section, "eligible person" means a person who is any of the following:

(1) A stockholder or member of the mutual water company.

(2) A person who is an occupant, pursuant to a lease or a rental agreement, of commercial space or a dwelling unit to which the mutual water company sells, distributes, supplies, or delivers drinking water.

(3) An elected official of a city or county who represents people who receive drinking water directly from the mutual water company on a retail basis.

(4) Any other person eligible to obtain copies of the records listed in subdivision (a) under provisions of the mutual water company's articles or bylaws.

# **EDUCATION CODE**

#### DIVISION 4. PLANT QUARANTINE AND PEST CONTROL PART 23. SUPPLEMENTAL SERVICES CHAPTER 3. CAFETERIAS Article 1. Establishment and use

#### §38086. Availability of tap water.

(a) Except as provided in subdivision (b), by July 1, 2011, a school district shall provide access to free, fresh drinking water during meal times in the food service areas of the schools under its jurisdiction, including, but not necessarily limited to, areas where reimbursable meals under the National School Lunch Program or the federal School Breakfast Program are served or consumed. A school district may comply with this section by, among other means, providing cups and containers of water or soliciting or receiving donated bottled water.

(b) The governing board of a school district may adopt a resolution stating that it is unable to comply with the requirements of this section and demonstrating the reasons why it is unable to comply due to fiscal constraints or health and safety concerns. The resolution shall be publicly noticed on at least two consecutive meeting agendas, first as an information item and second as an action item, and approved by at least a majority of the governing board.

#### §38086.1. Funding for Section 38086.

(a) The department may receive funds transferred from any available state and federal source, to be allocated by the department to school districts for the purpose of complying with the requirements of Section 38086.

(b) Subject to all laws, guidelines, policies, and criteria applicable to the funds, school districts may use funds received pursuant to subdivision (a) for water quality projects, including, but not limited to, water treatment, water facilities restructuring, water filling stations, and maintenance of water facilities.

(c) The department shall do both of the following:

(1) Consult with the State Department of Public Health, the Department of Water Resources, and the State Water Resources Control Board to identify available sources of funding, including, but not limited to, funding from Proposition 1, approved by the voters at the November 4, 2014, statewide general election, funds for safe drinking water programs administered by the department, the State Department of Public Health, the Department of Water Resources, and the State Water Resources Control Board, other state funding, and federal funding available to fund school water quality and infrastructure.

(2) Post the information collected pursuant to paragraph (1) on the department's Internet Web site.

(d) Nothing in this section or Section 38086 affects criteria established by the State Water Resources Control Board for funds and funding programs administered by the State Water Resources Control Board.

# Food and Agricultural Code

#### DIVISION 4. PLANT QUARANTINE AND PEST CONTROL PART 1. GENERALLY CHAPTER 4.5. INVASIVE PEST PLANNING §5260. Legislative findings.

The Legislature hereby finds and declares all of the following:

(a) Global travel, global trade, and climate change are introducing invasive animals, plants, insects, and plant and animal diseases to California.

(b) The State of California should undertake advance planning on whether and how to address those invasive animals, plants, insects, and plant and animal diseases that are a threat to the state's agriculture, environment, or economy.

(c) The Legislature fully recognizes that any prediction of which invasive pests will enter California cannot be precise because of the many entry mechanisms.

#### §5260.5. Definition of invasive pests.

For purposes of this chapter, "invasive pests" means animals, plants, insects, and plant and animal diseases or groups of those animals, plants, insects, and plant and animal diseases, including seeds, eggs, spores, or other matter capable of propagation, where introduction into California would or would likely cause economic or environmental harm. "Invasive pests" does not include agricultural crops, livestock, or poultry generally recognized by the department or the United States Department of Agriculture as suitable to be grown or raised in the state.

#### §5261. List of invasive pests.

The department shall develop and maintain a list of invasive pests that have a reasonable likelihood of entering California for which a detection, exclusion, eradication, control, or management action by the state might be appropriate. In developing the list, the department shall consider any invasive pests identified by the federal or state government for which a detection, exclusion, eradication, control, or management action might be undertaken.

#### §5262. Development and maintenance of plan and participation of state agencies.

(a) Based on available funding, the department shall develop and maintain a written plan on the most appropriate options for detection, exclusion, eradication, control, or management of the higher priority invasive pests on the list prepared pursuant to Section 5261. In determining which invasive pests are the higher priority and in developing the most appropriate options for detection, exclusion, eradication, control, or management, the department shall consult with the United States Department of Agriculture, the University of California, other state agencies and departments, and others in the scientific and research community. In implementing this chapter, the department may undertake or contract for scientific research with the University of California or other institutions of higher learning. The plan shall include both of the following:

(1) A discussion of the state not acting to detect, exclude, eradicate, control, or manage the invasive pest.

(2) The identification and description of the most appropriate options for detection, exclusion, eradication, control, or management of the invasive pest.

(b) If the department determines that aerial application of pesticides would be among the more appropriate responses, the plan shall contain a discussion of all of the following:

(1) The pesticides that would likely be the most appropriate.

(2) The concentrations of those pesticides.

(3) How often pesticide use would be necessary.

(4) A list of each active ingredient and inert material, to the extent that the disclosure of the inert material is permitted by state and federal law.

(5) A summary of up-to-date scientific information on the impacts of the pesticide and its inert materials on all of the following:

(A) Healthy children and adults.

(B) Children and adults with compromised health.

(C) Domestic animals.

(D) Fish and wildlife.

(E) Public health and the environment, including drinking water.

(c) The State Department of Public Health, the Department of Fish and Game, the Office of Environmental Health Hazard Assessment, the Department of Boating and Waterways, the Department of Forestry and Fire Protection, the State Water Resources Control Board, and the Department of Pesticide Regulation shall participate in the preparation of the plan in their areas of expertise. The Office of Environmental Health Hazard Assessment shall include an analysis of the risks of using the pesticide and its inert material.

(d) In developing the plan, the department shall hold public hearings that shall include a presentation by the department and the opportunity for public comment and establish a process for submittal of public comment. Following the public hearing, the department shall reassess the appropriateness of the response and may revise the response and may hold additional public hearings.

(e) The plan shall include a characterization of the number of and the nature of the public comments received pursuant to subdivision (d).

(f) The department shall make the plan available to the public, including making it available on the department's Internet Web site.

#### §5263. Notification regarding presence of invasive pest.

If the department determines that an invasive pest identified on the list developed pursuant to Section 5261 has entered the state, the department shall notify the Governor, the governing boards of affected cities and counties, and county agricultural commissioners.

### §5264. Aerial application of a pesticide plan

If the department determines that an invasive pest has entered the state and the urban aerial application of a pesticide, or a communitywide ground application of a pesticide, is the preferred eradication, control, or management response, the department shall advise the Governor and provide the Governor with a copy of the plan for that invasive pest. If a plan has not been prepared for that invasive pest, the department shall consult with the appropriate agencies and shall advise the Governor of the lack of a plan and advise the Governor of the best available options.

#### §5265. Actions prior to aerial application of a pesticide.

If the department determines that an invasive pest has entered the state, and an urban aerial application of a pesticide, or a communitywide ground application of a pesticide, is the selected response, the department shall do all of the following:

(a) Notify the governing boards of affected cities and counties and their agricultural commissioners and health officers.

(b) Notify the public of all of the following:

(1) The existence of the invasive pest.

(2) The consequences of not eradicating, controlling, or managing the invasive pest.

(3) The active ingredient and inert material of the pesticide, to the extent that the

disclosure of the inert material is permitted by state and federal law.

(4) The method or methods of applying the pesticide.

(5) The implications of the use of the pesticide and the inert materials on human health, domestic animals, fish and wildlife, and the environment.

(c) Hold public hearings in areas subject to aerial application of the pesticide or communitywide ground application of the pesticide.

(d) Establish a telephone hotline for the public to report adverse health consequences.

## §5266. Use of federal funds.

This program established by this chapter may only be funded with federal funds.

#### §5267. Exemptions.

This chapter does not apply to the following:

(a) The State Department of Public Health and local vector control agencies providing services in accordance with Section 116180 of the Health and Safety Code.

(b) Mosquito abatement and vector control districts authorized under Chapter 1 (commencing with Section 2000) of Division 3 of the Health and Safety Code.

### **GOVERNMENT CODE**

#### TITLE 2. GOVERNMENT OF THE STATE OF CALIFORNIA DIVISION 1. CITIES AND COUNTIES CHAPTER 7. CALIFORNIA EMERGENCY SERVICES ACT §8627.5. Lawn Watering Fines During a Drought.

(a) During a period for which the Governor has issued a proclamation of a state of emergency under this chapter based on drought conditions, a city, county, or city and county shall not impose a fine under any ordinance for a failure to water a lawn or for having a brown lawn.

(b) A violation of this section is not subject to the criminal penalties set forth in Section 8665.

#### TITLE 5. LOCAL AGENCIES DIVISION 1. CITIES AND COUNTIES PART 1. POWERS AND DUTIES COMMON TO CITIES AND COUNTIES CHAPTER 5.5. THE ELDER CALIFORNIA PIPELINE SAFETY ACT OF 1981 §51010.5. Definitions.

As used in this chapter, the following definitions apply:

(a) "Pipeline" includes every intrastate pipeline used for the transportation of hazardous liquid substances or highly volatile liquid substances, including a common carrier pipeline, and all piping containing those substances located within a refined products bulk loading facility which is owned by a common carrier and is served by a pipeline of that common carrier, and the common carrier owns and serves by pipeline at least five such facilities in the state. "Pipeline" does not include the following:

(1) An interstate pipeline subject to Part 195 of Title 49 of the Code of Federal Regulations.

(2) A pipeline for the transportation of a hazardous liquid substance in a gaseous state.

(3) A pipeline for the transportation of crude oil that operates by gravity or at a stress level of 20 percent or less of the specified minimum yield strength of the pipe.

(4) Transportation of petroleum in onshore gathering lines located in rural areas.

(5) A pipeline for the transportation of a hazardous liquid substance offshore located upstream from the outlet flange of each facility on the Outer Continental Shelf where hydrocarbons are produced or where produced hydrocarbons are first separated, dehydrated, or otherwise processed, whichever facility is farther downstream.

(6) Transportation of a hazardous liquid by a flow line.

(7) A pipeline for the transportation of a hazardous liquid substance through an onshore production, refining, or manufacturing facility, including a storage or inplant piping system associated with that facility.

(8) Transportation of a hazardous liquid substance by vessel, aircraft, tank truck, tank car, or other vehicle or terminal facilities used exclusively to transfer hazardous liquids between those modes of transportation.

(b) "Flow line" means a pipeline which transports hazardous liquid substances from the well head to a treating facility or production storage facility.

(c) "Hydrostatic testing" means the application of internal pressure above the normal or maximum operating pressure to a segment of pipeline, under no-flow conditions for a fixed period of time, utilizing a liquid test medium.

(d) "Local agency" means a city, county, or fire protection district.

(e) "Rural area" means a location which lies outside the limits of any incorporated or unincorporated city or city and county, or other residential or commercial area, such as a subdivision, a business, a shopping center, or a community development.

(f) "Gathering line" means a pipeline eight inches or less in nominal diameter that transports petroleum from a production facility.

(g) "Production facility" means piping or equipment used in the production, extraction, recovery, lifting, stabilization, separation, or treatment of petroleum or associated storage or measurement. (To be a production facility under this definition, piping or equipment must be used in the process of extracting petroleum from the ground and transporting it by pipeline.)

(h) "Public drinking water well" means a wellhead that provides drinking water to a public water system as defined in Section 116275 of the Health and Safety Code, that is regulated by the State Department of Health Services and that is subject to Section 116455 of the Health and Safety Code.

(i) "GIS mapping system" means a geographical information system that will collect, store, retrieve, analyze, and display environmental geographical data in a data base that is accessible to the public.

(j) "Motor vehicle fuel" includes gasoline, natural gasoline, blends of gasoline and alcohol, or gasoline and oxygenates, and any inflammable liquid, by whatever name the liquid may be known or sold, which is used or is usable for propelling motor vehicles operated by the explosion type engine. It does not include kerosene, liquefied petroleum gas, or natural gas in liquid or gaseous form.

(k) "Oxygenate" means an organic compound containing oxygen that has been approved by the United States Environmental Protection Agency as a gasoline additive to meet the requirements for an "oxygenated fuel" pursuant to Section 7545 of Title 42 of the United States Code.

#### §51017.1. Locating hazardous pipelines near drinking water wells.

(a) Utilizing GIS-based location information furnished by the State Department of Health Services and the State Water Resources Control Board, at least once every two years the State Fire Marshal shall determine the identity of each pipeline or pipeline segment that is regulated by the State Fire Marshal pursuant to this chapter that transports petroleum product when that pipeline is located within 1,000 feet of a public drinking water well.

(b) With assistance from the State Department of Health Services and the State Water Resources Control Board, the State Fire Marshal shall notify the operator of the pipelines identified in subdivision (a) of the following information:

(1) That the specific pipeline or pipeline segment has been identified as being located within 1,000 feet of a public drinking water well.

(2) The name of the water purveyor and the location of the public drinking water well affected. With advice from the GIS mapping advisory committee, created pursuant to subdivision (b) of Section 25299.97 of the Health and Safety Code, the identification of the pipelines and notification of pipeline owners by the State Fire Marshal pursuant to subdivision (a) and this subdivision shall begin once the GIS mapping system created by Section 25299.97 of the Health and Safety Code is able to provide accurate and useful information on pipeline and wellhead locations.

(c) Each pipeline operator notified pursuant to subdivision (b) shall prepare a pipeline wellhead protection plan as required by Section 51017.2 and submit the plan to the State Fire Marshal within 180 days from the date of either receiving the notification specified in subdivision (b), or adoption of regulations by the State Fire Marshal pursuant to Section 51017.2, whichever is later.

(d) With the advice of the State Department of Health Services, the State Water Resources Control Board, appropriate California regional water quality control boards, and local water purveyors, the State Fire Marshal shall review each wellhead protection plan submitted by a pipeline operator, and approve those plans that meet the criteria of the regulations adopted by the State Fire Marshal pursuant to Section 51017.2. The State Fire Marshal shall have discretion to allow a wellhead protection plan to address multiple wellheads where the conditions creating the risk to the wellheads are substantially similar. The pipeline operator shall implement the wellhead protection plan within 180 days from the date of receiving approval from the State Fire Marshal.

(e) Each pipeline operator having a wellhead protection plan approved by the State Fire Marshal pursuant to subdivision (d) shall evaluate that plan at least once every five years to ensure that the plan is in compliance with the current regulations established by the State Fire Marshal pursuant to Section 51017.2. The pipeline operator shall provide either written documentation to the State Fire Marshal that the previously approved wellhead protection plan has been evaluated and that no changes are warranted, or submit a new wellhead protection plan to remain in compliance with existing regulations or to meet the requirements of regulations adopted since the plan was approved.

(f) The pipeline operator subject to subdivision (c) may petition the State Fire Marshal in writing for an exemption from the requirements of subdivision (c). With advice from the State Water Resources Control Board, the State Department of Health Services, the California regional water quality control boards, and local water purveyors, the State Fire Marshal may approve the exemption if the petition demonstrates that the pipeline either does not transport motor vehicle fuel, or does not pose a significant threat to the public drinking water well based upon, but not limited to, the following criteria:

(1) Pipeline parameters, such as operation pressure, operating temperature, age, design, fabrication materials, construction, corrosive nature of the surrounding soil, cathodic protection, and feasibility of internal inspection or evaluation tools (smart pigs).

(2) Hydrogeologic parameters, such as soil permeability, direction and velocity of groundwater flow, aquifer location or depth, and hydrogeologic barriers or conduits.

(3) Water well parameters, such as depth of well and well construction.

(4) The nature of the fuel and its ability to migrate to public drinking water wells.

(5) The impact of human activity that may elevate or reduce the risk to the drinking water well.

#### §51017.2. Wellhead protection.

(a) With advice from the Pipeline Safety Advisory Committee, the State Water Resources Control Board, the California regional water quality control boards, and local water purveyors, the State Fire Marshal shall adopt regulations for wellhead protection plans that provide guidelines to be used by the pipeline operator as specified in Section 51017.1 to protect the public drinking water well from contamination should a pipeline rupture or leak pose a significant threat to a public drinking water well, taking into account the nature of the fuel and its ability to migrate to a public drinking water well. The regulations adopted by the State Fire Marshal shall require each plan to contain adequate and effective measures that are technologically feasible, practical, and operationally sound that protect public drinking water wells. At a minimum, the wellhead protection plan shall contain the following:

(1) Operational activities that provide the pipeline operator with sufficient information to adequately ensure the integrity of the pipeline. These may include internal inspection or evaluation tools (smart pigs), substructure excavation (potholing), well monitoring, additional or more frequent pressure tests, cathodic protection surveys or visual inspections, or other technologies as appropriate.

(2) Response measures that will enhance the pipeline operator's response to an emergency, such as a pipeline rupture, fire, earthquake, or flood. These measures may include activities, such as additional training for operator staff or improved coordination with emergency response agencies.

(b) At least once every five years, the State Fire Marshal, with the advice of the Pipeline Safety Advisory Committee, the State Water Resources Control Board, the California regional water quality control boards, and local water purveyors, shall review the regulations adopted pursuant to subdivision (a) to determine if new measures that have been proven to be technologically feasible, practical, and operationally sound should be included in the regulations. The State Fire Marshal shall adopt new regulations if such new measures are identified.

### TITLE 7. PLANNING AND LAND USE

#### DIVISION 1. PLANNING AND ZONING CHAPTER 3. LOCAL PLANNING

### Article 10.8. Water Conservation in Landscaping

#### §65591. The Water Conservation in Landscaping Act.

This article shall be known and may be cited as the Water Conservation in Landscaping Act.

#### §65592. Definitions

Unless the context requires otherwise, the following definitions govern the construction of this article:

(a) "Department" means the Department of Water Resources.

(b) "Local agency" means any city, county, or city and county, including a charter city or charter county.

(c) "Water efficient landscape ordinance" means an ordinance or resolution adopted by a local agency, or prepared by the department, to address the efficient use of water in landscaping.

#### §65593. Legislative Findings

The Legislature finds and declares all of the following:

(a) The waters of the state are of limited supply and are subject to ever increasing demands.

(b) The continuation of California's economic prosperity is dependent on adequate supplies of water being available for future uses.

(c) It is the policy of the state to promote the conservation and efficient use of water and to prevent the waste of this valuable resource.

(d) Landscapes are essential to the quality of life in California by providing areas for active and passive recreation and as an enhancement to the environment by cleaning air and water, preventing erosion, offering fire protection, and replacing ecosystems lost to development.

(e) Landscape design, installation, maintenance, and management can and should be water efficient.

(f) Section 2 of Article X of the California Constitution specifies that the right to use water is limited to the amount reasonably required for the beneficial use to be served and the right does not and shall not extend to waste or unreasonable use or unreasonable method of use.

#### (g)

(1) The Legislature, pursuant to Chapter 682 of the Statutes of 2004, requested the California Urban Water Conservation Council to convene a stakeholders work group to develop recommendations for improving the efficiency of water use in urban irrigated landscapes.

(2) The work group report includes a recommendation to update the model water efficient landscape ordinance adopted by the department pursuant to Chapter 1145 of the Statutes of 1990.

(3) It is the intent of the Legislature that the department promote the use of this updated model ordinance.

(h) Notwithstanding Article 13 (commencing with Section 65700), this article addresses a matter that is of statewide concern and is not a municipal affair as that term is used in Section 5 of Article XI of the California Constitution. Accordingly, it is the intent of the Legislature that this article, except as provided in Section 65594, apply to all cities and counties, including charter cities and charter counties.

#### §65594. Exceptions

(a) Except as provided in Section 65595, if by January 1, 1993, a local agency did not adopt a water efficient landscape ordinance and did not adopt findings based on climatic, geological, or topographical conditions, or water availability that state that a water efficient landscape ordinance is unnecessary, the model water efficient landscape ordinance adopted by the department pursuant to Chapter 1145 of the Statutes of 1990 shall apply within the jurisdiction of the local agency as of that date, shall be enforced by the local agency, and shall have the same force and effect as if adopted by the local agency.

(b) Notwithstanding subdivision (b) of Section 65592, subdivision (a) does not apply to chartered cities.

(c) This section shall apply only until the department updates the model ordinance.

#### §65595. Definitions

(a)

(1) To the extent funds are appropriated, not later than January 1, 2009, by regulation, the department shall update the model water efficient landscape ordinance adopted pursuant to Chapter 1145 of the Statutes of 1990, after holding one or more public hearings. The updated model ordinance shall be based on the recommendations set forth in the report prepared pursuant to Chapter 682 of the Statutes of 2004 and shall meet the requirements of Section 65596.

(2) Before the adoption of the updated model ordinance pursuant to paragraph (1), the department shall prepare and submit to the Legislature a report relating to both of the following:

(A) The extent to which local agencies have complied with the model water efficient landscape ordinance adopted pursuant to Chapter 1145 of the Statutes of 1990.

(B) The department's recommendations regarding the landscape water budget component of the updated model ordinance described in subdivision (b) of Section 65596.

(b) Not later than January 31, 2009, the department shall distribute the updated model ordinance adopted pursuant to subdivision (a) to all local agencies and other interested parties.

(c) On or before January 1, 2010, a local agency shall adopt one of the following:

(1) A water efficient landscape ordinance that is, based on evidence in the record, at least as effective in conserving water as the updated model ordinance adopted by the department pursuant to subdivision (a).

(2) The updated model ordinance described in paragraph (1).

(d) If the local agency has not adopted, on or before January 1, 2010, a water efficient landscape ordinance pursuant to subdivision (c), the updated model ordinance adopted by the department pursuant to subdivision (a) shall apply within the jurisdiction of the local agency as of that date, shall be enforced by the local agency, and shall have the same force and effect as if adopted by the local agency.

(e) Nothing in this article shall be construed to require the local agency's water efficient landscape ordinance to duplicate, or to conflict with, a water efficiency program or measure implemented by a public water system, as defined in Section 116275 of the Health and Safety Code, within the jurisdictional boundaries of the local agency.

#### §65595.5. Applicability

(a) Notwithstanding Section 161 of the Water Code, until December 31, 2009, in order to ensure timely implementation of water conservation activities relating to landscaping, Section 161 of the Water Code does not apply to the department's adoption of regulations required by Section 65595.

(b) This section shall remain in effect only until January 1, 2010, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2010, deletes or extends that date.

#### §65596. Updated Model Ordinance

The updated model ordinance adopted pursuant to Section 65595 shall do all the following in order to reduce water use:

(a) Include provisions for water conservation and the appropriate use and groupings of plants that are well-adapted to particular sites and to particular climatic, soil, or topographic conditions. The model ordinance shall not prohibit or require specific plant species, but it may include conditions for the use of plant species or encourage water conserving plants. However, the model ordinance shall not include conditions that have the effect of prohibiting or requiring specific plant species.

(b) Include a landscape water budget component that establishes the maximum amount of water to be applied through the irrigation system, based on climate, landscape size, irrigation efficiency, and plant needs.

(c) Promote the benefits of consistent local ordinances in neighboring areas.

(d) Encourage the capture and retention of stormwater onsite to improve water use efficiency or water quality.

(e) Include provisions for the use of automatic irrigation systems and irrigation schedules based on climatic conditions, specific terrains and soil types, and other environmental conditions. The model ordinance shall include references to local, state, and federal laws and regulations regarding standards for water-conserving irrigation equipment. The model ordinance may include climate information for irrigation scheduling based on the California Irrigation Management Information System (Chapter 2 (commencing with Section 10015) of Part 1.5 of Division 6 of the Water Code).

(f) Include provisions for onsite soil assessment and soil management plans that include grading and drainage to promote healthy plant growth and to prevent excessive erosion and runoff, and the use of mulches in shrub areas, garden beds, and landscaped areas where appropriate.

(g) Promote the use of recycled water consistent with Article 4 (commencing with Section 13520) of Chapter 7 of Division 7 of the Water Code.

(h) Seek to educate water users on the efficient use of water and the benefits of doing so.

(i) Address regional differences, including fire prevention needs.

(j) Exempt landscaping that is part of a registered historical site.

(k) Encourage the use of economic incentives to promote the efficient use of water.

(l) Include provisions for landscape maintenance practices that foster long-term landscape water conservation. Landscape maintenance practices may include, but are not limited to, performing routine irrigation system repair and adjustments, conducting water audits, and prescribing the amount of water applied per landscaped acre.

(m) Include provisions to minimize landscape irrigation overspray and runoff.

#### §65597. Department notification

Not later than January 31, 2010, each local agency shall notify the department as to whether the local agency is subject to the department's updated model ordinance adopted pursuant to Section 65595, and if not, shall submit to the department a copy of the water efficient landscape ordinance adopted by the local agency, and a copy of the local agency's findings and evidence in the record that its water efficient landscape ordinance is at least as effective in conserving water as the department's updated model ordinance. Not later than January 31, 2011, the department shall, to the extent funds are appropriated, prepare and submit a report to the Legislature summarizing the status of water efficient landscape ordinances adopted by local agencies.

#### §65598. Exemptions

Any model ordinance adopted pursuant to this article shall exempt cemeteries from all provisions of the ordinance except those set forth in subdivisions (h), (k), and (l) of Section 65596. In adopting language specific to cemeteries, the department shall recognize the special landscape management needs of cemeteries.

#### §65599. Noncompliance

Any actions or proceedings to attach, review, set aside, void, or annul the act, decision, or findings of a local agency on the ground of noncompliance with this article shall be brought pursuant to Section 1085 of the Code of Civil Procedure.

#### DIVISION 2. SUBDIVISIONS CHAPTER 4. REQUIREMENTS

Article 1. General

#### §66473.7. Sufficient Water Supplies to Subdivisions.

(a) For the purposes of this section, the following definitions apply:

(1) "Subdivision" means a proposed residential development of more than 500 dwelling units, except that for a public water system that has fewer than 5,000 service connections, "subdivision" means any proposed residential development that would account for an increase of 10 percent or more in the number of the public water system's existing service connections.

(2) "Sufficient water supply" means the total water supplies available during normal, single-dry, and multiple-dry years within a 20-year projection that will meet the projected demand associated with the proposed subdivision, in addition to existing and planned future uses, including, but not limited to, agricultural and industrial uses. In determining "sufficient water supply," all of the following factors shall be considered:

(A) The availability of water supplies over a historical record of at least 20 years.

(B) The applicability of an urban water shortage contingency analysis prepared pursuant to Section 10632 of the Water Code that includes actions to be undertaken by the public water system in response to water supply shortages.

(C) The reduction in water supply allocated to a specific water use sector pursuant to a resolution or ordinance adopted, or a contract entered into, by the public water system, as long as that resolution, ordinance, or contract does not conflict with Section 354 of the Water Code.

(D) The amount of water that the water supplier can reasonably rely on receiving from other water supply projects, such as conjunctive use, reclaimed water, water conservation, and water transfer, including programs identified under federal, state, and local water initiatives such as CALFED and Colorado River tentative agreements, to the extent that these water supplies meet the criteria of subdivision (d).

(E) If a proposed subdivision relies in whole or in part on groundwater, the following factors:

(i) For a basin for which a court or the State Water Resources Control Board has adjudicated the rights to pump groundwater, the order or decree adopted by the court or the State Water Resources Control Board.

(ii) For a basin that has not been adjudicated, as follows:

(I) For a basin designated as high- or medium-priority pursuant to Section 10722.4 of the Water Code, the most recently adopted or revised adopted groundwater sustainability plan or approved alternative. If there is no adopted groundwater sustainability plan or approved alternative, information as to whether the Department of Water Resources has identified the basin or basins as overdrafted or has projected that the basin will become overdrafted if present management conditions continue.

(II) For a basin designated as low- or very low priority pursuant to Section 10722.4 of the Water Code, information as to whether the Department of Water Resources has identified the basin or basins as overdrafted or has projected that the basin will become overdrafted if present management conditions continue.

(3) "Public water system" means the water supplier that is, or may become as a result of servicing the subdivision included in a tentative map pursuant to subdivision (b), a public water system, as defined in Section 10912 of the Water Code, that may supply water for a subdivision.

(b)

(1) The legislative body of a city or county or the advisory agency, to the extent that it is authorized by local ordinance to approve, conditionally approve, or disapprove the tentative map, shall include as a condition in any tentative map that includes a subdivision a requirement that a sufficient water supply shall be available. Proof of the availability of a sufficient water supply shall be requested by the subdivision applicant or local agency, at the discretion of the local agency, and shall be based on written verification from the applicable public water system within 90 days of a request.

(2) If the public water system fails to deliver the written verification as required by this section, the local agency or any other interested party may seek a writ of mandamus to compel the public water system to comply.

(3) If the written verification provided by the applicable public water system indicates that the public water system is unable to provide a sufficient water supply that will meet the projected demand associated with the proposed subdivision, then the local agency may make a finding, after consideration of the written verification by the applicable public water system, that additional water supplies not accounted for by the public water system are, or will be, available prior to completion of the subdivision that will satisfy the requirements of this section. This finding shall be made on the record and supported by substantial evidence.

(4) If the written verification is not provided by the public water system, notwithstanding the local agency or other interested party securing a writ of mandamus to compel compliance with this section, then the local agency may make a finding that sufficient water supplies are, or will be, available prior to completion of the subdivision that will satisfy the requirements of this section. This finding shall be made on the record and supported by substantial evidence.

(c) The applicable public water system's written verification of its ability or inability to provide a sufficient water supply that will meet the projected demand associated with the proposed subdivision as required by subdivision (b) shall be supported by substantial evidence. The substantial evidence may include, but is not limited to, any of the following:

(1) The public water system's most recently adopted urban water management plan adopted pursuant to Part 2.6 (commencing with Section 10610) of Division 6 of the Water Code.

(2) A water supply assessment that was completed pursuant to Part 2.10 (commencing with Section 10910) of Division 6 of the Water Code.

(3) A groundwater sustainability plan adopted or alternative approved pursuant to Part 2.74 (commencing with Section 10720) of Division 6 of the Water Code.

(4) Other information relating to the sufficiency of the water supply that contains analytical information that is substantially similar to the assessment required by Section 10635 of the Water Code.

(d) When the written verification pursuant to subdivision (b) relies on projected water supplies that are not currently available to the public water system, to provide a sufficient water supply to the subdivision, the written verification as to those projected water supplies shall be based on all of the following elements, to the extent each is applicable:

(1) Written contracts or other proof of valid rights to the identified water supply that identify the terms and conditions under which the water will be available to serve the proposed subdivision.

(2) Copies of a capital outlay program for financing the delivery of a sufficient water supply that has been adopted by the applicable governing body.

(3) Securing of applicable federal, state, and local permits for construction of necessary infrastructure associated with supplying a sufficient water supply.

(4) Any necessary regulatory approvals that are required in order to be able to convey or deliver a sufficient water supply to the subdivision.

(e) If there is no public water system, the local agency shall make a written finding of sufficient water supply based on the evidentiary requirements of subdivisions (c) and (d) and identify the mechanism for providing water to the subdivision.

(f) In making any findings or determinations under this section, a local agency, or designated advisory agency, may work in conjunction with the project applicant and the public water system to secure water supplies sufficient to satisfy the demands of the proposed subdivision. If the local agency secures water supplies pursuant to this subdivision, which supplies are acceptable to and approved by the governing body of the public water system as suitable for delivery to customers, it shall work in conjunction with the public water system to implement a plan to deliver that water supply to satisfy the long-term demands of the proposed subdivision.

(g) The written verification prepared under this section shall also include a description, to the extent that data is reasonably available based on published records maintained by federal and state agencies, and public records of local agencies, of the reasonably foreseeable impacts of the proposed subdivision on the availability of water resources for agricultural and industrial uses within the public water system's service area that are not currently receiving water from the public water system but are utilizing the same sources of water. To the extent that those reasonably foreseeable impacts have previously been evaluated in a document prepared pursuant to the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) or the National Environmental Policy Act (Public Law 91-190) for the proposed subdivision, the public water system may utilize that information in preparing the written verification.

(h) Where a water supply for a proposed subdivision includes groundwater, the public water system serving the proposed subdivision shall evaluate, based on substantial evidence, the extent to which it or the landowner has the right to extract the additional groundwater needed to supply the proposed subdivision. Nothing in this subdivision is intended to modify state law with regard to groundwater rights.

(i) This section shall not apply to any residential project proposed for a site that is within an urbanized area and has been previously developed for urban uses, or where the immediate contiguous properties surrounding the residential project site are, or previously have been, developed for urban uses, or housing projects that are exclusively for very low and low-income households.

(j) The determinations made pursuant to this section shall be consistent with the obligation of a public water system to grant a priority for the provision of available and future water resources or services to proposed housing developments that help meet the city's or county's share of the regional housing needs for lower income households, pursuant to Section 65589.7.

(k) The County of San Diego shall be deemed to comply with this section if the Office of Planning and Research determines that all of the following conditions have been met:

(1) A regional growth management strategy that provides for a comprehensive regional strategy and a coordinated economic development and growth management program has been developed pursuant to Proposition C as approved by the voters of the County of San Diego in November 1988, which required the development of a regional growth management plan and directed the establishment of a regional planning and growth management review board.

(2) Each public water system, as defined in Section 10912 of the Water Code, within the County of San Diego has adopted an urban water management plan pursuant to Part 2.6 (commencing with Section 10610) of the Water Code.

(3) The approval or conditional approval of tentative maps for subdivisions, as defined in this section, by the County of San Diego and the cities within the county requires written communications to be made by the public water system to the city or county, in a format and with content that is substantially similar to the requirements contained in this section, with regard to the availability of a sufficient water supply, or the reliance on projected water supplies to provide a sufficient water supply, for a proposed subdivision.

(1) Nothing in this section shall preclude the legislative body of a city or county, or the designated advisory agency, at the request of the applicant, from making the determinations required in this section earlier than required pursuant to subdivision (b).

(m) Nothing in this section shall be construed to create a right or entitlement to water service or any specific level of water service.

(n) Nothing in this section is intended to change existing law concerning a public water system's obligation to provide water service to its existing customers or to any potential future customers.

(o) Any action challenging the sufficiency of the public water system's written verification of a sufficient water supply shall be governed by Section 66499.37.

### **HEALTH & SAFETY CODE**

#### DIVISION 13. HOUSING PART 2.5. STATE BUILDING STANDARDS CHAPTER 6. REGULATIONS §18949.7. CDPH/Building Commission responsibilities.

Any responsibilities of the State Department of Public Health to adopt regulations relating to building standards are hereby transferred to the commission, except that the commission shall not adopt any regulation without the concurrence of the State Department of Public Health. Nothing in this section shall be construed to change the current process for adopting regulations relating to building standards of health facilities, as defined in Section 1250.

### DIVISION 20. MISCELLANEOUS HEALTH AND SAFETY PROVISIONS CHAPTER 6.5. HAZARDOUS WASTE CONTROL

Article 4. Listings

#### §25143.6. Brine Solution Exemption when from GW Treatment to Meet DW Standards.

(a) Spent brine solutions that are byproducts from the treatment of groundwater to meet California drinking water standards are exempt from the requirements of this chapter if all of the following conditions are met:

(1) The treatment of these spent brine solutions by dewatering via a closed piping system to lined surface impoundments is specifically approved by the applicable regional water quality control board.

(2) The spent brine solutions are transferred for dewatering via a closed piping system to lined surface impoundments regulated by the California regional water quality control boards.

(3) The spent brine solutions are treated, prior to transfer to lined surface impoundments, with a technology that renders the spent brine solutions nonhazardous for all contaminants except selenium.

(4) Mitigation measures, which shall be approved by the Department of Fish and Wildlife, are used to prevent birds from coming into contact with spent brine solutions in lined surface impoundments containing hazardous levels of selenium.

(b) If spent brine solution that is exempt pursuant to subdivision (a) is relocated to an elevated location inside a lined surface impoundment for further dewatering, the waste from that spent brine solution shall be removed from the lined surface impoundment while it still contains sufficient moisture to prevent wind dispersion.

(c) Waste from spent brine solutions exempt pursuant to subdivision (a) shall be deemed generated at the time of removal from a lined surface impoundment and shall be managed pursuant to the requirements of this chapter if determined to be a hazardous waste.

(d) Operators of surface impoundments used for the treatment of spent brine solutions shall maintain financial assurances consistent with the requirements of this chapter.

(e) Untreated spent brine solutions shall be managed in accordance with this chapter.

# Article 10.1.2. Lead Plumbing Monitoring and Compliance Testing §25214.4.3. Lead Plumbing Monitoring and Compliance Testing.

(a) Lead plumbing monitoring and compliance testing shall be undertaken by the department, as a part of the department's ongoing program for reducing toxic substances from the environment.

(b) For purposes of implementing this article, the department shall, based on its available resources and staffing, annually select not more than 75 drinking water faucets or other drinking water plumbing fittings and fixtures for testing and evaluation, including the locations from which to select the faucets, fittings, and fixtures, to determine compliance with Section 116875.

(c) In implementing this article, the department shall use test methods, protocols, and sample preparation procedures that are adequate to determine total lead concentration in a drinking water plumbing fitting or fixture to determine compliance with the standards for the maximum allowable total lead content set forth in Section 116875.

(d)

(1) In selecting drinking water faucets and other drinking water plumbing fittings and fixtures to test and evaluate pursuant to this article, the department shall exercise its judgment regarding the specific drinking water plumbing fittings or fixtures to test.

(2) This article does not require the department's selection to be either random or representative of all available plumbing fittings or fixtures.

(3) The department shall acquire its samples of fittings and fixtures from locations that are readily accessible to the public at either retail or wholesale sources.

(e) The department shall annually post the results of the testing and evaluation conducted pursuant to this article on its Internet Web site and shall transmit these results in an annual report to the State Department of Public Health.

# CHAPTER 6.7. UNDERGROUND STORAGE OF HAZARDOUS SUBSTANCES <u>§25296.25.</u> Suspension of corrective action or investigation work and prohibitions of suspension.

(a):

(1) Unless the board, in consultation with local agencies and the regional board, determines that a site is an emergency site, the board, at the request of a responsible party who is eligible for reimbursement of corrective action costs under Chapter 6.75 (commencing with Section 25299.10), may suspend additional corrective action or investigation work at a site, based on a preliminary site assessment conducted in accordance with the corrective action regulations adopted by the board, but the board shall not suspend any of the following activities pursuant to this section:

(A) Removal of, or approved modifications of, existing tanks.

(B) Excavation of petroleum saturated soil or removal of excess petroleum from saturated soil.

(C) Removal of free product from the saturated and unsaturated zones.

(D) Periodic monitoring to ensure that released petroleum is not migrating in an uncontrolled manner that will cause the site to become an emergency site.

(2) For purposes of this subdivision, "emergency site" means a site that, because of an unauthorized release of petroleum, meets one of the following conditions:

(A) The site presents an imminent threat to public health or safety or the environment.

(B) The site poses a substantial probability of causing a condition of contamination or nuisance, as defined in Section 13050 of the Water Code, or of causing pollution of a source of drinking water at a level that is a violation of a primary or secondary drinking water standard adopted by the State Department of Health Services pursuant to Chapter 4 (commencing with Section 116270) of Part 12 of Division 104.

(b) The suspension shall continue until one of the following occurs:

(1) The board provides the eligible responsible party with a letter of commitment pursuant to Chapter 6.75 (commencing with Section 25299.10) that the party will receive reimbursement for the corrective action.

(2) The responsible party requests in writing that the suspension be terminated and that the work continue.

(3) The fund established pursuant to Article 6 (commencing with Section 25299.50) of Chapter 6.75 is no longer in existence.

(c) The board shall adopt regulations pursuant to Section 25299.3 that specify the conditions under which a site is an imminent threat to public health or safety or to the environment or poses a substantial probability of causing a condition of contamination, nuisance, or pollution as specified in paragraph (2) of subdivision (a). The board shall not suspend corrective action or investigation work at any site pursuant to this section until the effective date of the regulations adopted by the board pursuant to this subdivision.

#### §25296.30. Guidelines and standards for MTBE.

(a) The board, in consultation with the State Department of Health Services, shall develop guidelines for the investigation and cleanup of methyl tertiary-butyl ether (MTBE) and other ether-based oxygenates in groundwater. The guidelines shall include procedures for determining, to the extent practicable, whether the contamination associated with an unauthorized release of MTBE is from the tank system prior to the system's most recent upgrade or replacement or if the contamination is from an unauthorized release from the current tank system.

(b) The board, in consultation with the State Department of Health Services, shall develop appropriate cleanup standards for contamination associated with a release of methyl tertiarybutyl ether.

#### CHAPTER 6.75. PETROLEUM UNDERGROUND STORAGE TANK CLEANUP Article 12. Drinking Water Well Protection §25299.97. Drinking Water Well Protection

(a) For the purposes of this article, the following definitions shall apply:

(1) "Public drinking water well" means a wellhead that provides drinking water to a public water system, as that term is defined in Section 116275, that is regulated by the State Department of Health Services and that is subject to Section 116455.

(2) "MTBE" means methyl tertiary-butyl ether.

(3) "GIS mapping system" means a geographic information system that collects, stores, retrieves, analyzes, and displays environmental geographic data in a data base that is accessible to the public.

(4) "Motor vehicle fuel" includes gasoline, natural gasoline, blends of gasoline and alcohol or gasoline and oxygenates and any inflammable liquid, by whatever name the liquid may be known or sold, which is used or usable for propelling motor vehicles operated by the explosion type engine. It does not include kerosine, liquefied petroleum gas, or natural gas, in liquid or gaseous form.

(5) "Oxygenated motor vehicle fuel" is motor vehicle fuel, as defined in paragraph (4), that meets the federal definition for "Oxygenated Fuel" as defined in Section 7545(m) of Title 42 of the United States Code.

(6) "Oxygenate" means an organic compound containing oxygen that has been approved by the United States Environmental Protection Agency as a gasoline additive to meet the requirements for an "oxygenated fuel" pursuant to Section 7545 of Title 42 of the United States Code.

(b) The State Water Resources Control Board shall upgrade the data base created by Section 25299.39.1. This upgrade shall include the establishment of a statewide GIS mapping system as described in this section only upon an appropriation by the Legislature for this purpose.

(c)

(1) For purposes of subdivision (b), the board shall create a GIS Mapping and Data Management Advisory Committee. The committee shall give the board advice on location standards, protocols, metadata, and the appropriate data to expand the data base to create a cost-effective GIS mapping system that will provide the appropriate information to allow agencies to better protect public drinking water wells and, if feasible, nearby aquifers that are reasonably expected to be used as drinking water, from contamination by motor vehicle fuel from underground storage tanks and intrastate and interstate pipelines that are regulated by the State Fire Marshal pursuant to the California Pipeline Safety Act of 1981, Chapter 5.5 (commencing with Section 51010.5) of Part 1 of Division 1 of Title 5 of the Government Code.

(2) The advisory committee shall include, at a minimum, members from appropriate state and local agencies, affected industry and business, the water agencies that provide drinking water in Santa Monica, the water agencies that provide drinking water in the Santa Clara Valley, nonprofit environmental groups dedicated to the conservation and preservation of natural resources, and underground storage tank owners.

(d)

(1) The board shall create two pilot projects, the Santa Monica Groundwater Pilot Project and the Santa Clara Valley Groundwater Pilot Project, which shall terminate on July 1, 1999.

(2) The board shall create the pilot projects with the advice of the advisory committee so as to expedite and prioritize the upgrading of the data base for those regions of the state where groundwater provides, or would be called on in an emergency to provide, a significant portion of the region's drinking water.

(3) The board shall use the pilot projects to define and assess the parameters of the data base, identify data needs, develop opportunities to electronically link data bases and electronic submission of information, offer access to the public via the Internet, streamline existing processes, and work out the details for data management and a GIS mapping system as described in this article.

(4) The pilot project shall study appropriate notification to public water systems and response times.

(e) To upgrade the data base as required by this section, the board, in consultation with the advisory committee, shall do all of the following:

(1) Coordinate with the Department of Water Resources and the State Department of Health Services to obtain the location of existing drinking water wells and appropriate water resource and quality data to meet the requirements of this article.

(2) Coordinate with local agencies authorized to implement this chapter to obtain the location of all underground storage tanks that store motor vehicle fuel that are within 1,000 feet of a public drinking water well.

(3) Coordinate with local agencies authorized to implement this chapter to add the location of all known releases of motor vehicle fuel from underground storage tanks that are within 1,000 feet of a drinking water well.

(4) Coordinate with the State Fire Marshal to add the location and leak history of all pipelines or segments of pipelines that transport motor vehicle fuel and that are regulated by the State Fire Marshal pursuant to Chapter 5.5 (commencing with Section 51010) of Part 1 of Division 1 of Title 5 of the Government Code that are within 1,000 feet of an existing public drinking water well.

(f) The board may expend up to four hundred thousand dollars (\$400,000) from the Underground Storage Tank Cleanup Fund for the purposes set forth in Section 25299.36 to fund the GIS mapping system projects referred to in this section.

# DIVISION 37. REGULATION OF ENVIRONMENTAL PROTECTION §57004. Scientific Peer Review

(a) For purposes of this section, the following terms have the following meanings:

- (1) "Rule" means either of the following:
  - (A) A regulation, as defined in Section 11342.600 of the Government Code.

(B) A policy that is adopted by the State Water Resources Control Board pursuant to the Porter-Cologne Water Quality Control Act (Division 7 (commencing with Section 13000) of the Water Code) that has the effect of a regulation and that is adopted in order to implement or make effective a statute.

(2) "Scientific basis" and "scientific portions" mean those foundations of a rule that are premised upon, or derived from, empirical data or other scientific findings, conclusions, or assumptions establishing a regulatory level, standard, or other requirement for the protection of public health or the environment.

(b) The agency, or a board, department, or office within the agency, shall enter into an agreement with the National Academy of Sciences, the University of California, the California State University, or any similar scientific institution of higher learning, any combination of those entities, or with a scientist or group of scientists of comparable stature and qualifications that is recommended by the President of the University of California, to conduct an external scientific peer review of the scientific basis for any rule proposed for adoption by any board, department, or office within the agency. The scientific basis or scientific portion of a rule adopted pursuant to Chapter 6.6 (commencing with Section 25249.5) of Division 20 or Chapter 3.5 (commencing with Section 39650) of Part 2 of Division 26 shall be deemed to have complied with this section if it complies with the peer review processes established pursuant to these statutes.

(c) No person may serve as an external scientific peer reviewer for the scientific portion of a rule if that person participated in the development of the scientific basis or scientific portion of the rule.

(d) No board, department, or office within the agency shall take any action to adopt the final version of a rule unless all of the following conditions are met:

(1) The board, department, or office submits the scientific portions of the proposed rule, along with a statement of the scientific findings, conclusions, and assumptions on which the scientific portions of the proposed rule are based and the supporting scientific data, studies, and other appropriate materials, to the external scientific peer review entity for its evaluation.

(2) The external scientific peer review entity, within the timeframe agreed upon by the board, department, or office and the external scientific peer review entity, prepares a written report that contains an evaluation of the scientific basis of the proposed rule. If the external scientific peer review entity finds that the board, department, or office has failed to demonstrate that the scientific portion of the proposed rule is based upon sound scientific knowledge, methods, and practices, the report shall state that finding, and the reasons explaining the finding, within the agreed-upon timeframe. The board, department, or office may accept the finding of the external scientific peer review entity, in whole, or in part, and may revise the scientific portions of the proposed rule accordingly. If the board, department, or office disagrees with any aspect of the finding of the external scientific peer review entity, it shall explain, and include as part of the rulemaking record, its basis for arriving at such a determination in the adoption of the proposed rule are based on sound scientific knowledge, methods, and practices.

(e) The requirements of this section do not apply to any emergency regulation adopted pursuant to subdivision (b) of Section 11346.1 of the Government Code.

(f) Nothing in this section shall be interpreted to, in any way, limit the authority of a board, department, or office within the agency to adopt a rule pursuant to the requirements of the statute that authorizes or requires the adoption of the rule.

(g) For any rule proposed by the State Water Resources Control Board or a California regional water quality control board, the state board shall post a copy of the external scientific peer review conducted pursuant to subdivision (b) on its Internet Web site.

#### DIVISION 104. ENVIRONMENTAL HEALTH PART 1. ENVIRONMENTAL HEALTH PERSONNEL CHAPTER 4. PROFESSIONAL CERTIFICATION

# Article 3. Operator Certification Program: Water Treatment Plants and Water Distribution Systems

#### §106875. Certification of supervisors and operators.

(a) The state board shall examine and certify persons as to their qualifications to operate water treatment plants. The certification shall indicate the classification of water treatment plant that the person is qualified to operate.

(b) The state board shall examine and certify persons as to their qualifications to operate a water distribution system. The certification shall indicate the classification of distribution system that the person is qualified to operate.

#### §106876. Definitions.

As used in this article, unless the context otherwise requires, the following definitions apply: (a) "Community water system" has the same meaning as defined in Section 116275.

(b) "Local primacy agency" has the same meaning as defined in Section 116275.

(c) "Nontransient noncommunity water system" has the same meaning as defined in Section 116275.

(d) "Operates a water distribution system" means actions or decisions to control the quality or quantity of drinking water in a water distribution system and includes both of the following:

(1) Supervision of other persons operating a water distribution system.

(2) Any activity designated by the state board, in its regulations to implement this article, as an activity that may only be performed by a person with a water distribution operator certificate.

(e) "Operates a water treatment plant" means actions or decisions to control the performance of one or more drinking water treatment processes and includes both of the following:

(1) Supervision of other persons operating a water treatment plant.

(2) Any activity designated by the state board, in its regulations to implement this article, as an activity that may only be performed by a person with a water treatment operator certificate.

(f) "Wastewater certificate" has the same meaning as defined in Section 13625 of the Water Code.

(g) "Wastewater treatment plant" has the same meaning as defined in Section 13625 of the Water Code.

(h) "Water distribution operator certificate" means a certificate of competency issued by the state board stating that a person has met the requirements to be certified to operate a water distribution system for a specified grade level.

(i) "Water distribution system" has the same meaning as defined in Section 116275.

(j) "Water recycling treatment plant" has the same meaning as defined in Section 13625 of the Water Code.

(k) "Water treatment operator certificate" means a certificate of competency issued by the state board stating that a person has met the requirements to be certified to operate a water treatment plant for a specific classification and grade level.

(1) "Water treatment plant" has the same meaning as defined in Section 116275.

(m) "Water treatment process" means a process that improves the physical, chemical, biological, or radiological quality of water in order to render the water acceptable for use as drinking water and includes all of the following:

(1) Aeration.

(2) Blending.

(3) Chemical addition.

(4) Contaminant removal.

(5) Conventional treatment.

(6) Demineralization.

(7) Disinfection.

(8) Filtration.

(9) Fluoridation.

(10) Ion exchange.

(11) pH adjustment.

(12) Pre- and post-treatment.

(13) Reverse osmosis.

#### §106877. Suspension and revocation.

(a) The state board may suspend, revoke, or refuse to grant or renew any water treatment operator certificate to operate a water treatment plant or may place on probation or reprimand the certificate holder upon any reasonable grounds, including, but not limited to, any of the following:

(1) The submission of false or misleading information on an application for a water treatment operator certificate or an examination for a water treatment operator certificate.

(2) The use of fraud or deception in the course of operating a water treatment plant or a water recycling treatment plant.

(3) The failure to use reasonable care or judgment in the operation of a water treatment plant or a water recycling treatment plant.

(4) The inability to perform operating duties properly in a water treatment plant or a water recycling treatment plant.

(5) Engaging in dishonest conduct during an examination for a water treatment operator certificate.

(6) The conduct of willful or negligent acts that cause or allow the violation of the federal Safe Drinking Water Act (Subchapter XII (commencing with Section 300f) of Chapter 6A of Title 42 of the United States Code), the California Safe Drinking Water Act (Chapter 4 (commencing with Section 116270) of Part 12), or the regulations and standards adopted pursuant to either act.

(7) Willfully or negligently violating or causing or allowing the violation of waste discharge requirements or permits issued pursuant to the Clean Water Act (33 U.S.C. Sec. 1251 et seq.) or the Porter-Cologne Water Quality Control Act (Division 7 (commencing with Section 13000) of the Water Code) while operating a water recycling treatment plant.

(b) The state board may suspend, revoke, or refuse to grant or renew any water distribution operator certificate to operate a water distribution system or may place on probation or reprimand the certificate holder upon any reasonable grounds, including, but not limited to, any of the following:

(1) The submission of false or misleading information on an application for a water distribution operator certificate or an examination for a water distribution operator certificate.

(2) The use of fraud or deception in the course of operating a water distribution system.

(3) The failure to use reasonable care of judgment in the operation of a water distribution system.

(4) The inability to perform operating duties properly in a water distribution system.

(5) Engaging in dishonest conduct during an examination for a water distribution operator certificate.

(6) The conduct of willful or negligent acts that cause or allow the violation of the federal Safe Drinking Water Act (Subchapter XII (commencing with Section 300f) of Chapter 6A of Title 42 of the United States Code), the California Safe Drinking Water Act (Chapter 4 (commencing with Section 116270) of Part 12), or the regulations and standards adopted pursuant to either act.

(c) Prior to suspension or revocation of a valid operator certificate, the state board shall provide the certificate holder with an opportunity for a hearing before the state board, in accordance with rules adopted pursuant to Section 185 of the Water Code.

#### §106878. Violations and Liabilities.

(a) Any person who commits either of the following violations is guilty of a misdemeanor and may be liable civilly in an amount not to exceed one hundred dollars (\$100) for each day of violation:

(1) Operates a water treatment plant but does not hold a valid, unexpired water treatment operator certificate of the appropriate grade in accordance with regulations adopted pursuant to Section 106910.

(2) Operates a water distribution system but does not hold a valid, unexpired water distribution operator certificate of the appropriate grade in accordance with the regulations adopted pursuant to Section 106910.

#### (b)

(1) Any person or entity who is in responsible charge of a water treatment plant and allows the employment of any person as a water treatment operator who does not hold a valid, unexpired water treatment operator certificate of the appropriate grade in accordance with the regulations adopted pursuant to Section 106910 is guilty of a misdemeanor and may be liable civilly in an amount not to exceed one hundred dollars (\$100) for each day of violation.

(2) Any person or entity who is in responsible charge of a water distribution system and allows the employment of any person as a water distribution operator who does not hold a valid, unexpired water distribution operator certificate of the appropriate grade in accordance with the regulations adopted pursuant to Section 106910 is guilty of a misdemeanor and may be liable civilly in an amount not to exceed one hundred dollars (\$100) for each day of violation.

(c) Any person or entity that commits an act described in paragraph (2), (3), (5), or (6) of subdivision (a) of, or paragraph (2), (3), (5), or (6) of subdivision (b) of, Section 106877, may be liable civilly in an amount not to exceed five thousand dollars (\$5,000) for each violation.

(d) Any person that commits an act described in paragraph (1) of subdivision (a) of, or paragraph (1) of subdivision (b) of, Section 106877 may be liable civilly in an amount not to exceed five thousand dollars (\$5,000) for each violation.

#### §106879. Civil Liability.

(a) The state board may administratively impose civil liability pursuant to this article or, upon the request of the state board, the Attorney General may impose civil liability pursuant to this article in an action in superior court. The state board may impose civil liability administratively in accordance with Article 2.5 (commencing with Section 13323) of Chapter 5 of Division 7 of the Water Code.

(b) A remedy described in this article is in addition to, and does not supersede or limit, any other remedy, civil or criminal, except that civil liability may not be imposed both administratively and by the superior court for the same violation.

#### §106880. Examination.

The state board shall hold at least one examination each year for the purpose of examining candidates for water treatment operator certificates and water distribution operator certificates.

#### §106885. Certification required.

(a)

(1) A person who operates a water treatment plant shall possess a valid, unexpired water treatment operator certificate of appropriate grade in accordance with the regulations adopted pursuant to Section 106910.

(2) A person who is in responsible charge of the water treatment plant shall possess a valid, unexpired water treatment operator certificate equal to or greater than the classification of the water treatment plant.

(b)

(1) A person who operates a water distribution system shall possess a valid, unexpired water distribution operator certificate of the appropriate grade in accordance with the regulations adopted pursuant to Section 106910.

(2) A person who is in responsible charge of the water distribution system shall possess a valid, unexpired water distribution operator certificate equal to or greater than the classification of the water distribution system.

#### §106890. Fees.

(a) It is the intent of the Legislature that the program authorized pursuant to this article be entirely self-supporting, and for this purpose the state board is authorized to establish fee schedules for the issuance, replacement, reinstatement, continuing education, and renewal of certificates that shall provide revenues that shall not exceed the amount necessary, but shall be sufficient, to recover all costs incurred in the administration of this article.

(b) The state board may establish reduced fees for the issuance of, and renewal of, a water treatment operator certificate for applicants who hold a valid, unexpired water distribution operator certificate or a valid, unexpired wastewater certificate.

(c) The state board may establish reduced fees for the issuance of, and renewal of, a water distribution operator certificate for applicants who hold a valid, unexpired water treatment operator certificate or a valid, unexpired wastewater certificate.

(d)

(1) The state board shall set the amount of total revenue collected each year through the fee schedules at an amount equal to the amount appropriated by the Legislature in the annual Budget Act from the Drinking Water Operator Certification Special Account for expenditure for the administration of this article, taking into account the reserves in the account. The state board shall review the fees each fiscal year and revise the fees as necessary to conform with the amounts appropriated by the Legislature. If the state board determines that the revenue collected during the preceding year was greater than, or less than, the amounts appropriated by the Legislature, the state board may further adjust the fees to compensate for the overcollection or undercollection of revenue.

(2) The state board may adopt regulations pursuant to this section, including any subsequent adjustments to the fees or subsequent amendments to the regulations, as emergency regulations in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The adoption of these emergency regulations is an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health, safety, and general welfare. Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, any emergency regulations adopted by the state board, or any adjustment to the fees made by the state board pursuant to this section, shall remain in effect until revised by the state board.

#### <u>§106892. Fee deposit.</u>

(a) There is in the State Treasury the Drinking Water Operator Certification Special Account. Moneys in the special account are available to the state board, upon appropriation by the Legislature, for the purposes of administering this article.

(b) All of the following moneys shall be deposited in the Drinking Water Operator Certification Special Account:

(1) Any moneys made available by the Legislature for the purposes of the account.

(2) Fees collected pursuant to Section 106890.

(3) Notwithstanding Section 16305.7 of the Government Code, all interest earned upon moneys that are deposited in the account.

#### §106897. Reciprocity with other states.

The state board shall issue a water treatment operator certificate and water distribution operator certificate by reciprocity to any person holding a valid, unexpired, comparable certification issued by another state, the United States, a territory or tribal government that has been designated as the primacy agency by the United States Environmental Protection Agency, or a unit of any of these. The state board may, by regulations, prescribe the procedures and requirements for issuing a water treatment operator certificate and water distribution operator certificate by reciprocity.

#### §106898. Advisory Committee.

(a) The state board shall appoint an advisory committee to assist it in carrying out its responsibilities pursuant to this article. The advisory committee shall review all proposed regulations and make recommendations to the state board before the adoption of a regulation or an amendment to a regulation.

(b) The advisory committee shall consist of the following members:

(1) Two persons from a statewide organization representing medium to large water systems.

(2) Two persons from a statewide organization representing small water systems.

(3) One person from a local primacy agency.

(4) One person who is employed as an operator at a water recycling treatment plant.

(5) One person from an educational institution's school or division of engineering.

(6) One person who is a member of an organized labor union that represents water treatment operators and water distribution operators.

(7) One person who is employed by an educational institution, professional association, public agency, or private agency to provide water treatment or water distribution courses of instruction.

(8) One person who is a professional engineer specializing in sanitary engineering.

#### §106900. Education and training standards.

The state board may approve courses of instruction provided by educational institutions, professional associations, public agencies, or private agencies for purposes of qualifying persons for issuance of and renewal of a water treatment operator certificate or water distribution operator certificate.

#### §106910. Regulation authority.

The state board may adopt rules, regulations, and certification standards necessary to carry out the provisions of this article, pursuant to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The rules, regulations, and standards shall include, but not be limited to, the following:

(a) The classification of water treatment plants taking into consideration the plant size, character of the water being treated, type and degree of treatment, complexity of operation, and other physical conditions affecting the operation of the water treatment plant.

(b) The classification of distribution systems of community water systems and nontransient noncommunity water systems taking into consideration the complexity and size of the system.

(c) Criteria and standards establishing the level of skill, knowledge, education, and experience necessary to operate successfully specific classes of water treatment plants so as to protect public health.

(d) Criteria and standards establishing the level of skill, knowledge, and experience necessary to operate successfully specific classes of water distribution systems so as to protect the public health.

#### (e)

(1) Criteria and standards for water treatment operator certificate and water distribution operator certificate renewal, including continuing education requirements.

(2) The state board shall not renew any person's water treatment operator certificate or water distribution operator certificate if that person does not meet all requirements for certificate renewal.

(f) Criteria and standards for reinstatement of a water treatment operator certificate or water distribution operator certificate when the certificate has lapsed.

(g) Criteria and standards for the availability of designated water treatment operator certificate holders for each operating shift.

# PART 5. SHERMAN FOOD, DRUG, AND COSMETIC LAWS CHAPTER 5. FOOD

## Article 12. Bottled, Vended, Hauled, and Processed Water <u>§111070. General Definitions</u>

(a) "Bottled water," means any water that is placed in a sealed container at a water-bottling plant to be used for drinking, culinary, or other purposes involving a likelihood of the water being ingested by humans. Bottled water shall not include water packaged with the approval of the department for use in a public emergency.

(b) "Vended water" means any water that is dispensed by a water-vending machine, retail water facility, or water from a private water source, or other water as defined in Section 111170 that is not placed by a bottler in sealed containers, and that is dispensed by a water-vending machine, retail water facility, water hauler, or any other person or facility for drinking, culinary, or other purposes involving a likelihood of the water being ingested by humans. "Vended water," does not include water from a public water system that has not undergone additional treatment. Water sold without further treatment is not "vended water" and shall be labeled in accordance with Section 111170.

(c) "Water-bottling plant" means any facility in which bottled water is produced.

(d) A "water-vending machine" means a water-connected vending machine designed to dispense drinking water, or purified or other water products. The machines shall be designed to reduce or remove turbidity, off-tastes, and odors and to provide disinfection treatment. Processes for dissolved solids reduction or removal shall also be used.

(e) "Water hauler," means any person who hauls water in bulk by any means of transportation if the water is to be used for drinking, culinary, or other purposes involving a likelihood of the water being ingested by humans.

"In bulk," as used in this subdivision, means containers having capacities of 250 gallons or greater.

(f) "Retail water facility" means any commercial establishment where vended water is sold, and placed in customer's containers, or placed in containers sold or given to customers who come to the establishment to obtain water.

(g) "Private water source," means a privately owned source of water, other than a public water system, that is used for bottled or vended water and meets the requirements of an approved source for bottled water as defined in Section 129.3 of Title 21 of the Code of Federal Regulations.

(h) "Bottled water distributor" means any person, other than an employee or representative of a bottled water plant, who delivers bottled water directly to customers.

#### §111070.5. Definition of Advanced Purified Demonstration Water

(a) "Advanced purified demonstration water" means product water from an advanced water purification facility that satisfies both of the following requirements:

(1) The product water is treated by all of the following treatment processes:

(A) Microfiltration, ultrafiltration, or other filtration process that removes particulates before reverse osmosis.

(B) Reverse osmosis.

(C) Advanced oxidation.

(2) The product water meets or exceeds all federal and state drinking water standards and is produced in accordance with the advanced treatment criteria for purified water specified in Section 60320.201 of Title 22 of the California Code of Regulations.

(b) A bottler of advanced purified demonstration water shall do all of the following:

(1) Submit sample labels to the department for review at least 30 days before bottling advanced purified demonstration water.

(2) Submit the analyses of the advanced purified demonstration water required under subdivision (e) of Section 13570 of the Water Code to the department at least seven days before bottling advanced purified demonstration water.

(3) Conduct a full sanitation of the bottling and filling equipment immediately after bottling advance purified demonstration water.

#### **PART 10. RECREATIONAL SAFETY CHAPTER 5. SAFE RECREATIONAL WATER USE** Article 1. Recreational Use of Reservoirs §115825. Body contact restriction.

(a) It is hereby declared to be the policy of this state that multiple use should be made of all public water within the state, to the extent that multiple use is consistent with public health and public safety.

(b) Except as provided in this article, recreational uses shall not, with respect to a reservoir in which water is stored for domestic use, include recreation in which there is bodily contact with the water by any participant.

#### §115830. Recreation subject to regulation.

All water supply reservoirs of a public agency, whether heretofore or hereafter constructed, shall be open for recreational use by the people of this state, subject to the regulations of the department.

#### §115835. Definitions.

Unless the context otherwise requires, the following definitions shall control the construction of this article:

(a) "Multiple use" includes domestic, industrial, agricultural, and recreational uses.

(b) "Public agency" means the state or any city, other than a chartered city, county, public district, or other public institution.

(c) "Reservoir" does not include ditches, canals, or any similar type of water distributing facility.

#### §115840. San Diego County exception.

(a) In San Diego County, recreational uses shall not, with respect to a reservoir in which water is stored for domestic use, include recreation in which there is bodily contact with the water by any participant, unless both of the following conditions are satisfied:

(1) The water subsequently receives complete water treatment, including coagulation, flocculation, sedimentation, filtration, and disinfection, before being used for domestic purposes.

(2) The reservoir is operated in compliance with regulations of the department, as provided in Section 115830.

(b) The recreational use may be subject to additional conditions and restrictions adopted by the entity operating the water supply reservoir, if the conditions and restrictions do not conflict with regulations of the department and are designed to further protect or enhance the public health and safety.

#### §115840.5. Modesto Reservoir exception.

(a) In the Modesto Reservoir, recreational uses shall not include recreation in which any participant has bodily contact with the water, unless both of the following conditions are satisfied:

(1) The water subsequently receives complete water treatment, in compliance with all applicable department regulations, including coagulation, flocculation, sedimentation, filtration, and disinfection, before being used for domestic purposes. The disinfection shall include, but not be limited to, ozonation.

(2) The reservoir is operated in compliance with regulations of the department.

(b) The recreational use may be subject to additional conditions and restrictions adopted by the entity operating the water supply reservoir or required by the department, if those conditions and restrictions do not conflict with regulations of the department, and are required to further protect or enhance the public health and safety. The department shall, prior to requiring any additional conditions and restrictions, consult with the entity operating the water supply reservoir regarding the proposed conditions and restrictions at least 60 days prior to the effective date of those conditions or restrictions.

(c) The Modesto Irrigation District shall file, on or before January 1, 2002, with the Legislature, a report on the recreational uses at Modesto Reservoir and the water treatment program. The report shall include, but not be limited to, all of the following information:

(1) The estimated levels and types of recreational uses at the reservoir on a monthly basis.

(2) Levels of methyl tertiary butyl ether at various reservoir locations on a monthly basis.

(3) A summary of available monitoring in the Modesto Reservoir watershed for giardia and cryptosporidium.

(4) The sanitary survey of the watershed and water quality monitoring plan.

(5) An evaluation of recommendations relating to removal and inactivation of cryptosporidium and giardia as specified in the department water permit dated October 28, 1997.

(6) Annual reports provided to the department, as required pursuant to Sections I and IV of the department water permit dated October 28, 1997.

(7) An evaluation of the impact on source water quality due to recreational activities on the Modesto Reservoir, including any microbiological monitoring.

(8) A summary of any activities between the district and the county for operation of recreational uses and facilities in a manner that optimizes the water quality.

(9) The reservoir management plan and the operations plan.

(10) The annual water quality reports submitted to consumers each year.

(d) If there is a change in operation of the treatment facility or a change in the quantity of water to be treated at the treatment facility, the department may require the Modesto Irrigation District to file a report that includes, but is not limited to, the information required pursuant to subdivision (c), and the district shall demonstrate to the satisfaction of the department that water quality will not be adversely affected.

#### §115841. Nacimiento Reservoir exception.

Recreational activity in which there is bodily contact with the water by any participant shall continue to be allowed in Nacimiento Reservoir in accordance with all of the following requirements :

(a) Any agency that removes water from the reservoir for domestic use shall comply with any, or at a minimum, one of the following with regard to the water removed:

(1) The water subsequently receives complete water treatment in compliance with all applicable department regulations, including coagulation, flocculation, sedimentation, filtration, and disinfection, before being used for domestic purposes.

(2) The water is discharged in a manner that allows percolation into a subsurface groundwater basin for subsequent extraction from only those groundwater wells that have been determined by the department not to be under the influence of surface water pursuant to Chapter 17 (commencing with Section 64650) of Division 4 of Title 22 of the California Code of Regulations and subsequently receives disinfection and complies with all applicable department regulations before being used for domestic purposes.

(3) The water is discharged in a manner that allows percolation into a subsurface groundwater basin for subsequent extraction from groundwater wells under the influence of surface water that receives treatment pursuant to Chapter 17 (commencing with Section 64650) of Division 4 of Title 22 of the California Code of Regulations and complies with all applicable department regulations.

(b) The reservoir is operated in compliance with regulations of the department.

(c) The water stored for domestic purposes that may be excepted from the requirements of subdivision (b) of Section 115825 is removed from the reservoir by an agency for domestic purposes only in San Luis Obispo County and only in an amount for which that agency has a contractual right.

#### §115842. Sly Park Reservoir exception.

(a) Recreational activity in which there is bodily contact with the water by any participant is allowed in the Sly Park Reservoir provided that all of the following conditions are satisfied:

(1) The water shall receive complete water treatment, including coagulation, flocculation, sedimentation, filtration, and disinfection; or alternative treatment that complies with all applicable department regulations and requirements. Such treatment shall, at a minimum, comply with all state laws and department regulations and all federal laws and regulations, including, but not limited to, the federal Environmental Protection Agency Long-Term 2 Enhanced Surface Water Treatment regulations. Nothing in this division shall limit the state or the department from imposing more stringent treatment standards than those required by federal law.

(2) The El Dorado Irrigation District conducts a monitoring program for E. coli, bacteria and giardia, and cryptosporidium organisms at various reservoir locations and at a frequency determined by the department.

(3) The reservoir is operated in compliance with regulations of the department.

(b) The recreational use of that reservoir shall be subject to additional conditions and restrictions adopted by the entity operating the water supply reservoir, or by the department, that are required to further protect or enhance the public health and safety and do not conflict with regulations of the department.

(c) The El Dorado Irrigation District shall file, on or before January 1, 2005, with the department, a report on the recreational uses at Sly Park Reservoir and the water treatment program for that reservoir. That report shall include, but is not limited to, providing all of the following information:

(1) The estimated levels and types of recreational uses at the reservoir on a monthly basis.

(2) A summary of available monitoring in Sly Park Reservoir watershed for giardia and cryptosporidium.

(3) The sanitary survey of the watershed and water quality monitoring plan.

(4) An evaluation, as prescribed by the department, to determine the impact on source water quality due to recreational activities on Sly Park Reservoir, including any microbiological monitoring.

(5) The reservoir management plan and the operations plan.

(6) The annual water reports submitted to the consumers each year.

(d) The department shall prescribe the degree of treatment including, but not limited to, treatment processes necessary to abate any increased hazards resulting from body contact recreation based on information provided in the report filed pursuant to subdivision (c).

#### §115843.5. Canyon Lake Reservoir exception.

(a) In the Canyon Lake Reservoir, recreational uses shall not include recreation in which any participant has bodily contact with the water, unless both of the following conditions are satisfied:

(1) The water subsequently receives complete water treatment, in compliance with all applicable department regulations, including coagulation, flocculation, sedimentation, filtration, and disinfection, before being used for domestic purposes. The disinfection shall include, but is not limited to, an advanced technology capable of inactivating organisms, including, but not limited to, viruses, cryptosporidium, and giardia, to levels that comply with department regulations. The treatment shall include, but need not be limited to, ozonation or ultra violet disinfection. The treatment shall, at a minimum, comply with all state laws and department regulations and all federal laws and regulations, including, but not limited to, the federal Environmental Protection Agency Long-Term 2 Enhanced Surface Water Treatment regulations. Nothing in this division shall limit the state or the department from imposing more stringent treatment standards than those required by federal law.

(2) The reservoir is operated in compliance with regulations of the department.

(b) The recreational use may be subject to additional conditions and restrictions adopted by the entity operating the water supply reservoir or required by the department, if those conditions and restrictions do not conflict with regulations of the department, and are required to further protect or enhance the public health and safety.

(c) The Elsinore Valley Municipal Water District shall, by January 1, 2007, file a report with the Legislature on the recreational uses at Canyon Lake Reservoir and the water treatment program. The report shall include, but not necessarily be limited to, all of the following information:

(1) Participation in watershedwide activities to improve water quality in the Canyon Lake Reservoir.

(2) Annual results of volatile organic compounds, general minerals, and nutrients testing results provided to the department.

(3) A summary of available monitoring in the Canyon Lake Reservoir provided to the department for giardia and cryptosporidium.

(4) The most current sanitary survey of the watershed and water quality monitoring plan.

(5) A summary of monthly reports provided to the department on intake water bacteria and water quality.

(6) A summary of monthly reports provided to the department on water usage in Canyon Lake Reservoir.

(7) An evaluation of the impact on source water quality due to recreational activities on the Canyon Lake Reservoir, including any microbiological monitoring, and a summary of monthly reports provided to the department on treatment plant performance.

(8) A summary of activities between Elsinore Valley Municipal Water District and the Canyon Lake Property Owners Association for operation of recreational uses and facilities in a manner that optimizes the water quality.

- (9) The reservoir management plan and the operations plan.
- (10) The annual water quality reports submitted to consumers each year.

(d) If there is a change in operation of the treatment facility or a change in the quantity of water to be treated at the treatment facility, the department may require the Elsinore Valley Municipal Water District to file a report that includes, but is not limited to, the information required pursuant to subdivision (c), and the district shall demonstrate to the satisfaction of the department that water quality will not be adversely affected.

(e) This section shall remain in effect only until January 1, 2008, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2008, deletes or extends that date.

#### <u>§115843.6. Bear Creek Reservoir exception – adopted 2013</u>

(a) In the Bear Lake Reservoir, recreational uses shall not include recreation in which any participant has bodily contact with the water, unless all of the following conditions are satisfied:

(1) The water subsequently receives complete water treatment, in compliance with all applicable department regulations, including oxidation, filtration, and disinfection, before being used for domestic purposes. The disinfection shall include, but is not limited to, the use of an advanced technology capable of inactivating organisms, including, but not limited to, viruses, cryptosporidium, and giardia, to levels that comply with department regulations. The treatment shall include, but need not be limited to, filtration with a micro or ultra filtration system rated to 0.1 micron or less. The treatment shall, at a minimum, comply with all state laws and department regulations and all federal laws and regulations, including, but not limited to, the federal Environmental Protection Agency Long-Term 2 Enhanced Surface Water Treatment regulations. Nothing in this division shall limit the state or the department in imposing more stringent treatment standards than those required by federal law.

(2) The Lake Alpine Water Company conducts a monitoring program for cryptosporidium, giardia, and total coliform bacteria, including E. coli and fecal coliform, at the reservoir intake and at posttreatment at a frequency determined by the department, but no less than three times during the period when bodily contact is allowed pursuant to paragraph (4).

- (3) The reservoir is operated in compliance with regulations of the department.
- (4) Bodily contact is allowed for no more than four months each year.

(b) The recreational use of Bear Lake Reservoir shall be subject to additional conditions and restrictions adopted by the entity operating the water supply reservoir, or required by the department, that are required to further protect or enhance the public health and safety and do not conflict with regulations of the department.

(c) The Lake Alpine Water Company shall file, on or before January 1, 2016, with the Legislature in accordance with Section 9795 of the Government Code and the department, a report on the recreational uses at Bear Lake Reservoir and the water treatment program for that reservoir. That report shall include, but is not limited to, all of the following information:

(1) The estimated levels and types of recreational uses at the reservoir on a monthly basis.

(2) A summary of monitoring in the Bear Lake Reservoir watershed for cryptosporidium, giardia, and total coliform bacteria, including E. coli and fecal coliform.

(3) The most current sanitary survey of the watershed and water quality monitoring.

(4) As deemed necessary by the department, an evaluation of recommendations relating to inactivation and removal of cryptosporidium and giardia.

(5) Annual reports provided to the department as required by the water permit issued by the department.

(6) An evaluation of the impact on source water quality due to recreational activities on Bear Lake Reservoir, including any microbiological monitoring.

(7) A summary of activities for operation of recreational uses and facilities in a manner that optimizes the water quality.

(8) The reservoir management plan and the operations plan.

(9) The annual water reports submitted to the consumers each year.

(d) If there is a change in operation of the treatment facility or a change in the quantity of water to be treated at the treatment facility, the department may require the entity operating the water supply reservoir to file a report that includes, but is not limited to, the information required in subdivision (c), and the entity shall demonstrate to the satisfaction of the department that water quality will not be adversely affected.

(e)

(1) The department shall, at the end of each recreational season, annually review monitoring and reporting data from the Bear Lake Reservoir to ensure full compliance with this section.

(2) If at any time the department finds a failure to comply with this section, the exemption granted pursuant to this section shall cease immediately, and a permit issued to the Lake Alpine Water Company pursuant to Chapter 4 (commencing with Section 116270) of Part 12 may be subject to suspension, amendment, or revocation pursuant to that chapter. A failure to comply with this section shall be deemed a violation of Chapter 4 (commencing with Section 116270) of Part 12 and shall be subject to any applicable fines, penalties, or other enforcement action provided under that chapter.

(f) This section shall remain in effect only until January 1, 2017, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2017, deletes or extends that date.

#### <u>§115845. Fees.</u>

The public agency operating any water supply reservoir that is open for recreational use pursuant to this article may charge a use fee to cover the cost of policing the area around the reservoir, including the cost of providing the necessary sanitary facilities and other costs incidental to the recreational use of the reservoir.

#### §115850. Terminal reservoir exemption.

This article does not apply to terminal reservoirs for the supply of domestic water.

#### PART 12. DRINKING WATER CHAPTER 4. CALIFORNIA SAFE DRINKING WATER ACT Article 1. Pure and Safe Drinking Water §116270. Declaration.

The Legislature finds and declares all of the following:

(a) Every resident of California has the right to pure and safe drinking water.

(b) Feasible and affordable technologies are available and shall be used to remove toxic contaminants from public water supplies.

(c) According to the State Department of Health Services, over 95 percent of all large public water systems in California are in compliance with health-based action levels established by the department for various contaminants.

(d) It is the policy of the state to reduce to the lowest level feasible all concentrations of toxic chemicals that, when present in drinking water, may cause cancer, birth defects, and other chronic diseases.

(e) This chapter is intended to ensure that the water delivered by public water systems of this state shall at all times be pure, wholesome, and potable. This chapter provides the means to accomplish this objective.

(f) It is the intent of the Legislature to improve laws governing drinking water quality, to improve upon the minimum requirements of the federal Safe Drinking Water Act Amendments of 1996, to establish primary drinking water standards that are at least as stringent as those established under the federal Safe Drinking Water Act, and to establish a program under this chapter that is more protective of public health than the minimum federal requirements.

(g) It is the further intent of the Legislature to establish a drinking water regulatory program within the state board to provide for the orderly and efficient delivery of safe drinking water within the state and to give the establishment of drinking water standards and public health goals greater emphasis and visibility within the state.

(h) This act shall be construed to ensure consistency with the requirements for states to obtain and maintain primary enforcement responsibility for public water systems under the federal Safe Drinking Water Act and acts amendatory thereof or supplementary thereto.

## §116271. Transition of CDPH duties to State Board.

(a) The state board succeeds to and is vested with all of the authority, duties, powers, purposes, functions, responsibilities, and jurisdiction of the State Department of Public Health, its predecessors, and its director for purposes of all of the following:

(1) The Environmental Laboratory Accreditation Act (Article 3 (commencing with Section 100825) of Chapter 4 of Part 1 of Division 101).

(2) Article 3 (commencing with Section 106875) of Chapter 4 of Part 1.

(3) Article 1 (commencing with Section 115825) of Chapter 5 of Part 10.

(4) **This chapter** and the Safe Drinking Water State Revolving Fund Law of 1997 (Chapter 4.5 (commencing with Section 116760)).

(5) Article 2 (commencing with Section 116800), Article 3 (commencing with Section 116825), and Article 4 (commencing with Section 116875) of Chapter 5.

(6) Chapter 7 (commencing with Section 116975).

(7) The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Division 43 (commencing with Section 75001) of the Public Resources Code).

(8) The Water Recycling Law (Chapter 7 (commencing with Section 13500) of Division 7 of the Water Code).

(9) Chapter 7.3 (commencing with Section 13560) of Division 7 of the Water Code.

(10) The California Safe Drinking Water Bond Law of 1976 (Chapter 10.5 (commencing with Section 13850) of Division 7 of the Water Code).

(11) Wholesale Regional Water System Security and Reliability Act (Division 20.5 (commencing with Section 73500) of the Water Code).

(12) Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 (Division 26.5 (commencing with Section 79500) of the Water Code).

(b) The state board shall maintain a drinking water program and carry out the duties, responsibilities, and functions described in this section. Statutory reference to "department," "state department," or "director" regarding a function transferred to the state board shall refer to the state board. This section does not impair the authority of a local health officer to enforce this chapter or a county's election not to enforce this chapter, as provided in Section 116500.

(c) The state board shall succeed to the status of grantee or applicant, as appropriate, for any federal Drinking Water State Revolving Fund capitalization grants that the State Department of Public Health and any of its predecessors applied for.

(d) Regulations adopted, orders issued, and all other administrative actions taken by the State Department of Public Health, any of its predecessors, or its director, pursuant to the authorities now vested in the state board and in effect immediately preceding the operative date of this section shall remain in effect and are fully enforceable unless and until readopted, amended, or repealed, or until they expire by their own terms. Regulations in the process of adoption pursuant to the authorities vested in the state board determines otherwise. Any other administrative action adopted, prescribed, taken, or performed by, or on behalf of, the State Department of Public Health, or its director, in the administration of a program or the performance of a duty, responsibility, or authorization transferred to the state board shall remain in effect and shall be deemed to be an action of the state board unless and until the state board shall remain in effect and shall be deemed to be an

(e) Permits, licenses, accreditations, certificates, and other formal approvals and authorizations issued by the State Department of Public Health, any of its predecessors, or its director pursuant to authorities vested in the state board pursuant to this section are not affected by the transfer and remain in effect, subject to all applicable laws and regulations, unless and until renewed, reissued, revised, amended, suspended, or revoked by the state board or its deputy director, as authorized pursuant to subdivision (k).

(f) Any action or proceeding by or against the State Department of Public Health, including any officer or employee of the State Department of Public Health named in an official capacity, or any of its predecessors, pertaining to matters vested in the state board by this section shall not abate, but shall continue in the name of the state board. The state board shall be substituted for the State Department of Public Health, including any officer or employee of the State Department of Public Health named in an official capacity, and any of its predecessors, by the court or agency where the action or proceeding is pending. The substitution shall not in any way affect the rights of the parties to the action or proceeding.

(g) On and after the operative date of this section, the unexpended balance of all funds available for use by the State Department of Public Health or any of its predecessors in carrying out any functions transferred to the state board are available for use by the state board.

(h) Books, documents, data, records, and property of the State Department of Public Health pertaining to functions transferred to the state board shall be transferred to the state board. This subdivision does not transfer any part of property commonly known as the Richmond Campus that is owned by the State Public Works Board.

(i) A contract, lease, license, or any other agreement, including local primacy agreements, as described in Section 116330, to which the State Department of Public Health, any of its predecessors, its director, or their agents, is a party, are not void or voidable by reason of this section, but shall continue in full force and effect, with the state board assuming all of the rights, obligations, liabilities, and duties of the State Department of Public Health and any of its predecessors as it relates to the duties, powers, purposes, responsibilities, and jurisdiction vested in the state board pursuant to this section. This assumption does not affect the rights of the parties to the contract, lease, license, or agreement.

(j) If the Department of Water Resources entered into agreements on behalf of the State Department of Public Health or its predecessor, the State Department of Health Services, pursuant to Chapter 4.5 (commencing with Section 116760), the state board shall also succeed the Department of Water Resources as a party to those agreements and to all related security instruments, including, but not limited to, fiscal services agreements, deeds of trust, guarantees, letters of credit, and deposit control agreements.

#### (k)

(1) The state board shall appoint a deputy director who reports to the executive director to oversee the issuance and enforcement of public water system permits and other duties as appropriate. The deputy director shall have public health expertise.

(2) The deputy director is delegated the state board's authority to provide notice, approve notice content, approve emergency notification plans, and take other action pursuant to Article 5 (commencing with Section 116450), to issue, renew, reissue, revise, amend, or deny any public water system permits pursuant to Article 7 (commencing with Section 116525), to suspend or revoke any public water system permit pursuant to Article 8 (commencing with Section 116625), and to issue citations, assess penalties, or issue orders pursuant to Article 9 (commencing with Section 116650). Decisions and actions of the deputy director taken pursuant to Article 5 (commencing with Section 116450) or Article 7 (commencing with Section 116525) are deemed decisions and actions taken by the state board, but are not subject to reconsideration by the state board except as provided in Section 116540. Decisions and actions of the deputy director taken pursuant to Article 8 (commencing with Section 11650) are deemed decisions and actions taken by the state board actions of the deputy director taken pursuant to Article 8 (commencing with Section 116540) are deemed decisions and actions of the deputy director taken pursuant to Article 8 (commencing with Section 116650) are deemed decisions and actions taken by the state board, but are not subject to reconsideration by the state board except as provided in Section 116540. Decisions and actions of the deputy director taken pursuant to Article 8 (commencing with Section 116625) and Article 9 (commencing with Section 116650) are deemed decisions and actions taken by the state board, but any aggrieved person may petition the state board for reconsideration of the decision or action. This subdivision is not a limitation on the state board's authority to delegate any other powers and duties.

(3) The state board shall not delegate any authority, duty, power, purpose, function, or responsibility specified in this section, including, but not limited to, issuance and enforcement of public water system permits, to the regional water quality control boards.

## §116275. Definitions.

As used in this chapter:

(a) "Contaminant" means any physical, chemical, biological, or radiological substance or matter in water.

(b) "Department" means the state board.

(c) "Primary drinking water standards" means:

(1) Maximum levels of contaminants that, in the judgment of the state board, may have an adverse effect on the health of persons.

(2) Specific treatment techniques adopted by the state board in lieu of maximum contaminant levels pursuant to subdivision (j) of Section 116365.

(3) The monitoring and reporting requirements as specified in regulations adopted by the state board that pertain to maximum contaminant levels.

(d) "Secondary drinking water standards" means standards that specify maximum contaminant levels that, in the judgment of the state board, are necessary to protect the public welfare. Secondary drinking water standards may apply to any contaminant in drinking water that may adversely affect the odor or appearance of the water and may cause a substantial number of persons served by the public water system to discontinue its use, or that may otherwise adversely affect the public welfare. Regulations establishing secondary drinking water standards may vary according to geographic and other circumstances and may apply to any contaminant in drinking water that adversely affects the taste, odor, or appearance of the water when the standards are necessary to ensure a supply of pure, wholesome, and potable water.

(e) "Human consumption" means the use of water for drinking, bathing or showering, hand washing, oral hygiene, or cooking, including, but not limited to, preparing food and washing dishes.

(f) "Maximum contaminant level" means the maximum permissible level of a contaminant in water.

(g) "Person" means an individual, corporation, company, association, partnership, limited liability company, municipality, public utility, or other public body or institution.

(h) "Public water system" means a system for the provision of water for human consumption through pipes or other constructed conveyances that has 15 or more service connections or regularly serves at least 25 individuals daily at least 60 days out of the year. A public water system includes the following:

(1) Any collection, treatment, storage, and distribution facilities under control of the operator of the system that are used primarily in connection with the system.

(2) Any collection or pretreatment storage facilities not under the control of the operator that are used primarily in connection with the system.

(3) Any water system that treats water on behalf of one or more public water systems for the purpose of rendering it safe for human consumption.

(i) "Community water system" means a public water system that serves at least 15 service connections used by yearlong residents or regularly serves at least 25 yearlong residents of the area served by the system.

(j) "Noncommunity water system" means a public water system that is not a community water system.

(k) "Nontransient noncommunity water system" means a public water system that is not a community water system and that regularly serves at least 25 of the same persons over six months per year.

(1) "Local health officer" means a local health officer appointed pursuant to Section 101000 or a local comprehensive health agency designated by the board of supervisors pursuant to Section 101275 to carry out the drinking water program.

(m) "Significant rise in the bacterial count of water" means a rise in the bacterial count of water that the state board determines, by regulation, represents an immediate danger to the health of water users.

(n) "State small water system" means a system for the provision of piped water to the public for human consumption that serves at least five, but not more than 14, service connections and does not regularly serve drinking water to more than an average of 25 individuals daily for more than 60 days out of the year.

(o) "Transient noncommunity water system" means a noncommunity water system that does not regularly serve at least 25 of the same persons over six months per year.

(p) "User" means a person using water for domestic purposes. User does not include a person processing, selling, or serving water or operating a public water system.

(q) "Waterworks standards" means regulations adopted by the state board entitled "California Waterworks Standards" (Chapter 16 (commencing with Section 64551) of Division 4 of Title 22 of the California Code of Regulations).

(r) "Local primacy agency" means a local health officer that has applied for and received primacy delegation pursuant to Section 116330.

(s) "Service connection" means the point of connection between the customer's piping or constructed conveyance, and the water system's meter, service pipe, or constructed conveyance. A connection to a system that delivers water by a constructed conveyance other than a pipe shall not be considered a connection in determining if the system is a public water system if any of the following apply:

(1) The water is used exclusively for purposes other than residential uses, consisting of drinking, bathing, and cooking, or other similar uses.

(2) The state board determines that alternative water to achieve the equivalent level of public health protection provided by the applicable primary drinking water regulation is provided for residential or similar uses for drinking and cooking.

(3) The state board determines that the water provided for residential or similar uses for drinking, cooking, and bathing is centrally treated or treated at the point of entry by the provider, a passthrough entity, or the user to achieve the equivalent level of protection provided by the applicable primary drinking water regulations.

(t) "Resident" means a person who physically occupies, whether by ownership, rental, lease, or other means, the same dwelling for at least 60 days of the year.

(u) "Water treatment operator" means a person who has met the requirements for a specific water treatment operator grade pursuant to Section 106875.

(v) "Water distribution operator" means a person who has met the requirements for a specific water distribution operator grade pursuant to Section 106875.

(w) "Water treatment plant" means a group or assemblage of structures, equipment, and processes that treats, blends, or conditions the water supply of a public water system.

(x) "Water distribution system" means any combination of pipes, tanks, pumps, and other physical features that deliver water from the source or water treatment plant to the consumer.

(y) "Public health goal" means a goal established by the Office of Environmental Health Hazard Assessment pursuant to subdivision (c) of Section 116365.

(z) "Small community water system" means a community water system that serves no more than 3,300 service connections or a yearlong population of no more than 10,000 persons.

(aa) "Disadvantaged community" means the entire service area of a community water system, or a community therein, in which the median household income is less than 80 percent of the statewide average.

(ab) "State board" means the State Water Resources Control Board.

(ac) "Deputy director" means the deputy director appointed by the state board pursuant to subdivision (k) of Section 116271.

# §116276. Public Schools. (Effective June 27, 2016)

(a) The state board shall establish a program, in consultation with the State Department of Education, to award grants to local educational agencies for the purposes of improving access to, and the quality of, drinking water in public schools consistent with the Legislature's intent that school facilities be maintained in "good repair," as defined in paragraph (1) of subdivision (d) of Section 17002 of the Education Code. Eligible entities shall be limited to local educational agencies serving kindergarten or any of grades 1 to 12, inclusive, and preschools and child day care facilities, as defined in Section 1596.750, located on public school property. The program shall include, but not be limited to, funding for at least one of the following:

(1) Installation of water bottle filling stations.

(2) Installation or replacement of drinking water fountains with devices that are capable of removing contaminants that are present in the facility's water supply.

(3) Installation of point-of-entry or point-of-use treatment devices for drinking fountains, and up to three years of postinstallation replacement filters, and operation, maintenance, and monitoring of the devices, including training on how to operate and maintain the treatment devices and community outreach and education about their use.

(b) The state board shall implement the program by taking actions that include, but are not necessarily limited to, the development of procedures and guidelines for the submission of grant applications and criteria for the evaluation of those applications.

(c)

(1) In developing the procedure for awarding grants pursuant to this section, the state board shall do all of the following:

(A) Set requirements for grant recipients to adopt a program for inspecting and maintaining any water treatment device funded by the grant.

(B) Establish a maximum grant amount.

(C) Give priority to each of the following:

(i) Projects for schools within, or serving pupils from, a small disadvantaged community, as defined in Section 13193.9 of the Water Code.

(ii) Projects that have high effectiveness in increasing access to safe drinking water at schools.

(2) In developing the procedure for awarding grants pursuant to this section, the state board may require applicants to commit additional resources to the project, except that the state board shall not require matching funds for local educational agencies serving small disadvantaged communities or interfere with the prioritization of grant funding to small disadvantaged communities.

(d)

(1) Procedures and guidelines for the program developed by the state board under this section are not be subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(2) Before finalizing the procedures and guidelines for the distribution of grants pursuant to this section, the state board shall hold at least one public meeting to receive and consider public comment on the draft procedures and guidelines.

(e) The state board shall provide technical assistance to applicants, including completing applications, overseeing installations, and assisting with operation and maintenance.

(f) A contract entered into under the authority of this section is not be subject to Section 10295 of the Public Contract Code.

## §116277. Lead Potable Water Testing in Schools.

(a)

(1) A community water system that serves a schoolsite of a local educational agency with a building constructed before January 1, 2010, on that schoolsite shall test for lead in the potable water system of the schoolsite on or before July 1, 2019.

(2) The community water system shall report its findings to the schoolsite within 10 business days after the community water system receives the results from the testing laboratory or within two business days if it is found that the schoolsite's lead level exceeds 15 parts per billion.

(3) If the lead level exceeds 15 parts per billion, the community water system shall also test a water sample from the point in which the schoolsite connects to the community water system's supply network to determine the lead level of the water entering the schoolsite from the community water system's water supply network.

(b)

(1) A local educational agency shall allow the community water system access to each of the local educational agency's schoolsites that are subject to subdivision (a) to conduct testing.

(2) If the lead level exceeds 15 parts per billion, the local educational agency shall notify the parents and guardians of the pupils who attend the schoolsite or preschool where the elevated lead levels are found.

(c)

(1) If lead levels exceed 15 parts per billion, the local educational agency shall take immediate steps to make inoperable and shut down from use all fountains and faucets where the excess lead levels may exist. Additional testing may be required to determine if all or just some of the school's fountains and faucets are required to be shut down.

(2) Each local educational agency shall work with the schoolsites within its service area to ensure that a potable source of drinking water is provided for students at each schoolsite where fountains or faucets have been shut down due to elevated lead levels. Providing a potable source of drinking water may include, but is not limited to, replacing any pipes or fixtures that are contributing to the elevated lead levels, providing onsite water filtration, or providing bottled water as a short-term remedy.

(d) Each community water system, in cooperation with the appropriate corresponding local educational agency, shall prepare a sampling plan for each schoolsite where lead sampling is required under subdivision (a). The community water system and the local educational agency may request assistance from the state board or any local health agency responsible for regulating community water systems in developing the plan.

(e) This section shall not apply to a schoolsite that is subject to any of the following:

(1) The schoolsite was constructed or modernized after January 1, 2010.

(2) The local educational agency of the schoolsite is currently permitted as a public water system and is currently required to test for lead in the potable water system.

(3) The local educational agency completed lead testing of the potable water system after January 1, 2009, and posts information about the lead testing on the local educational agency's public Internet Web site, including, at a minimum, identifying any schoolsite where the level of lead in drinking water exceeds 15 parts per billion.

(4) The local educational agency has requested testing from its community water system consistent with the requirements of this section.

(f) For purposes of this section, the following definitions apply:

(1) "Local educational agency" means a school district, county office of education, or charter school located in a public facility.

(2) "Potable water system" means water fountains and faucets used for drinking or preparing food.

(g) This section shall become inoperative on July 1, 2019, and, as of January 1, 2020, is repealed.

## §116280. Condition for exclusion.

This chapter does not apply to a public water system that meets all of the following conditions:

(a) Consists only of distribution and storage facilities and does not have any collection and treatment facilities.

(b) Obtains all of its water from, but is not owned or operated by, a public water system to which this chapter applies.

(c) Does not sell water to any person or user. For purposes of this subdivision, sale of water shall not include the sale of water, obtained from a public water system that is subject to this chapter, through a submetered distribution system if each user of the system is charged no more than the rate the user would be charged by the public water system.

By enacting this subdivision, it is not the intent of the Legislature to change existing law as to responsibility or liability for distribution systems beyond the mastermeter.

## §116283. CURFFL exemption.

This chapter shall apply to a food facility that is regulated pursuant to the California Retail Food Code only if the human consumption includes drinking of water.

#### §116285. Irrigation canal exemption.

Before August 6, 1998, this chapter shall not apply to an irrigation canal system if the owner or operator of the system certifies to the department, and notifies each user, in writing, that the water is untreated and is being furnished or supplied solely for agricultural purposes to either of the following:

(a) A user where the user receives the water, by pipe or otherwise, directly from the irrigation canal system.

(b) A person who owns or operates an integrated pipe system where the person receives the water, by pipe or otherwise, directly from the irrigation canal system.

"Irrigation canal system," as used in this section, means a system of water conveyance facilities, including pipes, tunnels, canals, conduits, pumping plants and related facilities operated to furnish or supply water for agricultural purposes where a substantial portion of the facilities is open to the atmosphere.

## §116286. Water district exclusion.

(a) A water district, as defined in subdivision (b), in existence prior to May 18, 1994, that provides primarily agricultural services through a piped water system with only incidental residential or similar uses shall not be considered to be a public water system if the department determines that either of the following applies:

(1) The system certifies that it is providing alternative water for residential or similar uses for drinking water and cooking to achieve the equivalent level of public health protection provided by the applicable primary drinking water regulations.

(2) The water provided for residential or similar uses for drinking, cooking, and bathing is centrally treated or treated at the point of entry by the provider, a passthrough entity, or the user to achieve the equivalent level of protection provided by the applicable primary drinking water regulations.

(b) For purposes of this section, "water district" means any district or other political subdivision, other than a city or county, a primary function of which is irrigation, reclamation, or drainage of land.

#### §116287. Authority over water districts and constructed conveyances.

(a) The department, in implementing subdivision (s) of Section 116275 and Section 116286, shall place requirements on affected public water systems and water districts that are consistent with this chapter and the guidelines established by the United States Environmental Protection Agency for implementing comparable provisions of the federal Safe Drinking Water Act of 1996.

(b) The department, in making the determinations specified in paragraphs (2) and (3) of subdivision (s) of Section 116275 and subdivisions (a) and (b) of Section 116286, shall utilize criteria that are consistent with this chapter and those used by the United States Environmental Protection Agency in administering the comparable provisions of the federal Safe Drinking Water Act.

(c) The department shall periodically monitor and review the conditions under which a public water system, or a water district as defined in subdivision (b) of Section 116286, has met the requirements of this chapter pursuant to subdivision (s) of Section 116275 or Section 116286, or pursuant to the federal act, to ensure that the conditions continue to be met.

(d) The department may prescribe reasonable, feasible, and cost-effective actions to be taken by a public water system, water district, as defined in subdivision (b) of Section 116286, or users subject to subdivision (s) of Section 116275 or Section 116286 to ensure that alternative water or treated water provided by the water systems, water districts, or users pursuant to Section 116275 or 116286 will not be injurious to health.

(e) A notice prominently titled "Notice of Noncompliance with Safe Drinking Water Requirements" at the top of the document that states the requirements and actions prescribed by the department under subdivisions (a) and (d), describes the real property by assessors parcel number or legal description to which these requirements and actions apply, and names the record owners of that real property, may be recorded by the affected public water system or water district in the county where the real property is located. Recordation and proper indexing, as prescribed by law, shall provide constructive notice of these requirements and actions and shall not constitute a title defect, lien, or encumbrance. The public water system or water district shall provide notice of this recordation to the record owners of the real property by first-class mail, postage prepaid, to the address as shown on the latest county assessment roll. If the public water system or water district later determines that the record owners of the real property have complied with the requirements and actions prescribed by the department, the public water system or water district, within 10 days of that determination, shall record a subsequent notice titled "Notice of Compliance with Safe Drinking Water Requirements" that states that the "Notice of Noncompliance with Safe Drinking Water Requirements" has no further force or effect.

(f) A water district subject to this section shall annually publish a notice in a newspaper of general circulation describing any requirements and actions prescribed by the department to be taken by the water district and any record of compliance by the water district with these requirements and actions.

(g) This section shall not relieve a water district from complying with any other provisions of law.

## §116290. Agricultural exclusion.

Before August 6, 1998, in areas where the water service rendered by a person is primarily agricultural, and domestic service is only incidental thereto, this chapter shall not apply except in specific areas in which the department has found its application to be necessary for the protection of the public health and has given written notice thereof to the person furnishing or supplying water in the area.

The department may prescribe reasonable and feasible action to be taken by those persons or the users to insure that their domestic water will not be injurious to health.

## §116293. PHG for perchlorate.

(a) On January 1, 2003, the Office of Environmental Health Hazard Assessment shall perform a risk assessment and, based upon that risk assessment, shall adopt a public health goal based exclusively on public health consideration for perchlorate using the criteria set forth in subdivision (c) of Section 116365.

(b) On or before January 1, 2004, the department shall adopt a primary drinking water standard for perchlorate found in public water systems in California in a manner that is consistent with this chapter.

#### Article 2. Department and Local Responsibilities §116325. Department responsibility for all public water systems.

The department shall be responsible for ensuring that all public water systems are operated in compliance with this chapter and any regulations adopted hereunder. The department shall directly enforce this chapter for all public water systems except as set forth in Section 116500.

## §116326. Administration of funds for Small Community Water Systems.

In administering programs to fund improvements and expansions of small community water systems, the department shall do all of the following:

(a) Give priority to funding projects in disadvantaged communities.

(b) Encourage the consolidation of small community water systems that serve disadvantaged communities in instances where consolidation will help the affected agencies and the state to meet all of the following goals:

- (1) Improvement in the quality of water delivered.
- (2) Improvement in the reliability of water delivery.

(3) Reduction in the cost of drinking water for ratepayers.

(c) Pursuant to subdivision (b), allow funding for feasibility studies performed prior to a construction project to include studies of the feasibility of consolidating two or more community water systems, at least one of which is a small community water system that serves a disadvantaged community.

(d) In instances where it is shown that small community water system consolidation will further the goals of subdivision (b), give priority to funding construction projects that involve the physical restructuring of two or more community water systems, at least one of which is a small community water system that serves a disadvantaged community, into a single, consolidated system.

#### §116330. Local primacy delegation.

(a) The department may delegate primary responsibility for the administration and enforcement of this chapter within a county to a local health officer authorized by the board of supervisors to assume these duties, by means of a local primacy delegation agreement if the local health officer demonstrates that it has the capability to meet the local primacy program requirements established by the department pursuant to subdivision (h) of Section 116375. This delegation shall not include the regulation of community water systems serving 200 or more service connections. The local primacy agreement may contain terms and conditions that the department deems necessary to carry out this chapter. The local primacy agreement shall provide that, although the local primacy agency shall be primarily responsible for administration and enforcement of this chapter for the designated water systems, the department does not thereby relinquish its authority, but rather shall retain jurisdiction to administer and enforce this chapter for the designated water systems to the extent determined necessary by the department.

(b) Any local health officer seeking a local primacy delegation shall submit an application to the department. The application shall be submitted by March 1, 1993, for local health officers seeking local primacy agreements for the 1993–94 fiscal year. Thereafter, the application shall be submitted by January 1, of the fiscal year immediately preceding the commencement of the fiscal year for which the local primacy delegation is sought. The application shall be in the format, and shall contain information, required by the department. The department shall approve the application for primacy if the department determines that the local health officer is capable of meeting the primacy program requirements established by the department.

(c) A local primacy delegation approved by the department shall remain in effect until any of the following conditions occur:

(1) The delegation is withdrawn by mutual agreement.

(2) The local primacy agency provides 120-day advance written notice to the department that it no longer wishes to retain local primacy.

(3) The department determines that the local primacy agency no longer complies with the department's local primacy program requirements. The department shall provide written notice to the local primacy agency and the board of supervisors and shall provide an opportunity for a public hearing prior to initiation of any local primacy revocation action by the department.

(d) The department shall evaluate the drinking water program of each local primacy agency at least annually. The department shall prepare a report of the evaluation and list any program improvements needed to conform to the department's local primacy program requirements. A copy of the evaluation report shall be provided to the local primacy agency and the board of supervisors. The local primacy agency shall be granted a reasonable amount of time to make any needed program improvements prior to the initiation of any local primacy revocation actions.

(e) To the extent funds are available in the Safe Drinking Water Account, the department shall provide the local primacy agency with an annual drinking water surveillance program grant to cover the cost of conducting the inspection, monitoring, surveillance, and water quality evaluation activities specified in the local primacy agreement. The annual program grant pursuant to this subdivision shall not exceed the amount that the department determines would be necessary for the department to conduct inspection, monitoring, surveillance, and water quality evaluation activities in the absence of a local primacy agreement for those systems in that county.

(f) The local primacy agency shall act for the department as the primary agency responsible for the administration and enforcement of this chapter for the specified public water systems and shall be empowered with all of the authority granted to the department by this chapter over those water systems.

#### §116335. City of Maywood - Manganese.

(a) The public water systems serving the City of Maywood shall conduct, publish, and submit to the City of Maywood, the State Department of Public Health, the Office of Environmental Health Hazard Assessment, the Senate Committee on Environmental Quality, and the Assembly Committee on Environmental Safety and Toxic Materials a study on the City of Maywood's water by December 21, 2010, addressing the impacts of manganese on the quality of the City of Maywood's water. The report shall contain all of the following:

(1) Testing information and results on manganese for all of the sources of drinking water for the City of Maywood.

(2) The amount of manganese being contributed by each water source that serves the City of Maywood.

(3) Immediate and long-term steps that can be taken by the public water systems to reduce the amount of manganese in the drinking water supply to be at least as low as a level that is consistent with the average level in communities within a 20-mile radius of the City of Maywood.

(4) Infrastructure improvements that can be made to reach the immediate and long-term goals to reduce the level of manganese and other contaminants in the water to be consistent with the average level in communities within a 20-mile radius of the City of Maywood.

(5) Actions that the public water systems will take to pursue funding in order to achieve those improvements.

(b) The City Council of Maywood shall conduct a public hearing on the results of the study.

(c) The public water systems shall respond in writing to public comments made at the hearing to the City Council of Maywood.

(d) The study and comments shall be posted on the public water systems' Internet Web sites.

(e) All current notifications sent to the rate payers within the City of Maywood concerning water contaminants shall also be sent to occupants, in the same manner as set forth in subdivision (f) of Section 116450, and shall be distributed in English and the primary language of the residents of the city as well as posted on the public water systems' Internet Web sites.

# §116340. State small water systems.

This chapter shall not apply to state small water systems except as provided under this section: (a) The department shall adopt regulations specifying minimum requirements for operation of a state small water system. The requirements may be less stringent than the requirements for public water systems as set forth in this chapter.

(b) The minimum requirements for state small water systems adopted by the department pursuant to subdivision (a) shall be enforced by the local health officer or a local health agency designated by the local health officer. In counties that do not have a local health officer, the requirements shall be enforced by the department. Local health agencies may adopt more stringent requirements for state small water systems than those specified in the state regulations.

(c) The reasonable costs of the local health officer in carrying out the requirements of this section may be recovered through the imposition of fees on state small water systems by the local governing body in accordance with Section 101325.

# §116345. County monthly report and Department 3-year review.

(a) The local health officer shall submit a report monthly to the department regarding the status of compliance with this chapter by the public water systems under the jurisdiction of the local health officer. The report shall be in a form and manner prescribed by the department.

(b) The department shall review the public water system program of the local health officer at least every three years to assure compliance with this chapter. A report of the findings of the review along with any recommendations of the department shall be provided to the local health officer and the board of supervisors.

## Article 3. Operations

## §116350. Department responsibilities.

(a) The department shall administer the provisions of this chapter and all other provisions relating to the regulation of drinking water to protect public health.

(b) The department shall also have the following responsibilities:

(1) Conduct research, studies, and demonstration projects relating to the provision of a dependable, safe supply of drinking water, including, but not limited to, all of the following:

(A) Improved methods to identify and measure the existence of contaminants in drinking water and to identify the source of the contaminants.

(B) Improved methods to identify, measure, and assess the potential adverse health effects of contaminants in drinking water.

(C) New methods of treating raw water to prepare it for drinking, so as to improve the efficiency of water treatment and to remove or reduce contaminants.

(D) Improved methods for providing a dependable, safe supply of drinking water, including improvements in water purification and distribution, and methods of assessing health-related hazards.

(E) Improved methods of protecting the water sources of public water systems from contamination.

(F) Alternative disinfection technologies that minimize, reduce, or eliminate hazardous disinfection byproducts.

(2) Enforce provisions of the federal Safe Drinking Water Act and regulations adopted pursuant thereto.

(3) Adopt regulations to implement this chapter.

(c) The department may conduct studies and investigations as it deems necessary to assess the quality of private domestic water wells.

## §116355. Safe Drinking Water Plan.

(a) Once every five years the department shall submit to the Legislature a comprehensive Safe Drinking Water Plan for California.

(b) The Safe Drinking Water Plan shall include, but not be limited to, the following information:

(1) An analysis of the overall quality of California's drinking water and the identification of specific water quality problems.

(2) Types and levels of contaminants found in public drinking water systems that have less than 10,000 service connections. The discussion of these water systems shall include the following:

(A) Estimated costs of requiring these systems to meet primary drinking water standards and public health goals.

(B) Recommendations for actions that could be taken by the Legislature, the department, and these systems to improve water quality.

(3) A discussion and analysis of the known and potential health risks that may be associated with drinking water contamination in California.

(4) An evaluation of how existing water quality information systems currently maintained by local or state agencies can be more effectively used to protect drinking water.

(5) An evaluation of the research needed to develop inexpensive methods and instruments to ensure better screening and detection of waterborne chemicals, and inexpensive detection methods that could be used by small utilities and consumers to detect harmful microbial agents in drinking water.

(6) An analysis of the technical and economic viability and the health benefits of various treatment techniques that can be used to reduce levels of trihalomethanes, lead, nitrates, synthetic organic chemicals, micro-organisms, and other contaminants in drinking water.

(7) A discussion of alternative methods of financing the construction, installation, and operation of new treatment technologies, including, but not limited to user charges, state or local taxes, state planning and construction grants, loans, and loan guarantees.

(8) A discussion of sources of revenue presently available, and projected to be available, to public water systems to meet current and future expenses.

(9) An analysis of the current cost of drinking water paid by residential, business, and industrial consumers based on a statewide survey of large, medium, and small public water systems.

(10) Specific recommendations, including recommendations developed pursuant to paragraph (6), to improve the quality of drinking water in California and a detailed five-year implementation program.

# §116360. Cryptosporidium and Giardia.

(a) The department shall take all reasonable measures it determines necessary to reduce the risk to public health from waterborne illnesses in drinking water caused by cryptosporidium and giardia, to the extent those micro-organisms are not yet able to be adequately controlled through existing drinking water treatment and other management practices.

(b) The department shall directly conduct, or order the state's public water systems to conduct, comprehensive sanitary surveys, as present resources permit, to identify risks to public health from cryptosporidium and giardia.

(c) To thoroughly address the public health risks currently posed by cryptosporidium, in particular, the department shall ensure that its initial cryptosporidium action plan, that has been circulated to public water systems serving more than 1,000 service connections, is comprehensively implemented and shall devise and implement necessary strategies for protecting the health of individuals served by smaller public water systems from cryptosporidium exposure.

## §116361. Arsenic MCL Revisions.

(a) The Office of Environmental Health Hazard Assessment shall place a priority on the development of a public health goal for arsenic in drinking water, pursuant to subdivision (c) of Section 116365, sufficient to allow it to adopt the goal no later than December 31, 2002.

(b) Commencing January 1, 2002, the department shall commence the process for revising the existing primary drinking water standard for arsenic, and shall adopt a revised standard for arsenic not later than June 30, 2004. In considering the technological and economic feasibility of compliance with the proposed standard pursuant to paragraph (3) of subdivision (b) of Section 116365, the department shall consider emerging technologies that may cost-effectively reduce exposure to arsenic in drinking water.

(c) On or before December 31, 2002, the Secretary for Environmental Protection shall develop language regarding the health effects associated with the ingestion of arsenic in drinking water for inclusion in consumer confidence reports pursuant to Section 116470. On and after July 1, 2003, this language shall be included in the consumer confidence reports mailed or delivered to customers by each water system that measures arsenic in finished water at levels that exceed the applicable public health goal.

(d) The language developed by the Secretary for Environmental Protection for use in consumer confidence reports to describe the health effects associated with the ingestion of arsenic in drinking water shall be developed in accordance with primacy requirements described in subdivision (e) of Section 141.151 and subsections (b), (c), and (d) of Section 142.12 of Title 40 of the Code of Federal Regulations.

(e) Nothing in this section affects or changes the date for implementation of a revised arsenic standard by public water systems as required in Parts 9, 141, and 142 of Title 40 of the Code of Federal Regulations.

#### §116365. Criteria for primary standards.

(a) The state board shall adopt primary drinking water standards for contaminants in drinking water that are based upon the criteria set forth in subdivision (b) and shall not be less stringent than the national primary drinking water standards adopted by the United States Environmental Protection Agency. A primary drinking water standard adopted by the state board shall be set at a level that is as close as feasible to the corresponding public health goal placing primary emphasis on the protection of public health, and that, to the extent technologically and economically feasible, meets all of the following:

(1) With respect to acutely toxic substances, avoids any known or anticipated adverse effects on public health with an adequate margin of safety.

(2) With respect to carcinogens, or any substances that may cause chronic disease, avoids any significant risk to public health.

(b) The state board shall consider all of the following criteria when it adopts a primary drinking water standard:

(1) The public health goal for the contaminant published by the Office of Environmental Health Hazard Assessment pursuant to subdivision (c).

(2) The national primary drinking water standard for the contaminant, if any, adopted by the United States Environmental Protection Agency.

(3) The technological and economic feasibility of compliance with the proposed primary drinking water standard. For the purposes of determining economic feasibility pursuant to this paragraph, the state board shall consider the costs of compliance to public water systems, customers, and other affected parties with the proposed primary drinking water standard, including the cost per customer and aggregate cost of compliance, using best available technology.

(c)

(1) The Office of Environmental Health Hazard Assessment shall prepare and publish an assessment of the risks to public health posed by each contaminant for which the state board proposes a primary drinking water standard. The risk assessment shall be prepared using the most current principles, practices, and methods used by public health professionals who are experienced practitioners in the fields of epidemiology, risk assessment, and toxicology. The risk assessment shall contain an estimate of the level of the contaminant in drinking water that is not anticipated to cause or contribute to adverse health effects, or that does not pose any significant risk to health. This level shall be known as the public health goal for the contaminant. The public health goal shall be based exclusively on public health considerations and shall be set in accordance with all of the following:

(A) If the contaminant is an acutely toxic substance, the public health goal shall be set at the level at which no known or anticipated adverse effects on health occur, with an adequate margin of safety.

(B) If the contaminant is a carcinogen or other substance that may cause chronic disease, the public health goal shall be set at the level that, based upon currently available data, does not pose any significant risk to health.

(C) To the extent information is available, the public health goal shall take into account each of the following factors:

(i) Synergistic effects resulting from exposure to, or interaction between, the contaminant and one or more other substances or contaminants.

(ii) Adverse health effects the contaminant has on members of subgroups that comprise a meaningful portion of the general population, including, but not limited to, infants, children, pregnant women, the elderly, individuals with a history of serious illness, or other subgroups that are identifiable as being at greater risk of adverse health effects than the general population when exposed to the contaminant in drinking water.

(iii) The relationship between exposure to the contaminant and increased body burden and the degree to which increased body burden levels alter physiological function or structure in a manner that may significantly increase the risk of illness.

(iv) The additive effect of exposure to the contaminant in media other than drinking water, including, but not limited to, exposures to the contaminant in food, and in ambient and indoor air, and the degree to which these exposures may contribute to the overall body burden of the contaminant.

(D) If the Office of Environmental Health Hazard Assessment finds that currently available scientific data are insufficient to determine the level of a contaminant at which no known or anticipated adverse effects on health will occur, with an adequate margin of safety, or the level that poses no significant risk to public health, the public health goal shall be set at a level that is protective of public health, with an adequate margin of safety. This level shall be based exclusively on health considerations and shall, to the extent scientific data is available, take into account the factors set forth in clauses (i) to (iv), inclusive, of subparagraph (C), and shall be based on the most current principles, practices, and methods used by public health professionals who are experienced practitioners in the fields of epidemiology, risk assessment, and toxicology. However, if adequate scientific evidence demonstrates that a safe dose response threshold for a contaminant exists, then the public health goal should be set at that threshold. The state board may set the public health goal at zero if necessary to satisfy the requirements of this subparagraph.

(2) The determination of the toxicological endpoints of a contaminant and the publication of its public health goal in a risk assessment prepared by the Office of Environmental Health Hazard Assessment are not subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The Office of Environmental Health Hazard Assessment and the state board shall not impose any mandate on a public water system that requires the public water system to comply with a public health goal. The Legislature finds and declares that the addition of this paragraph by Chapter 777 of the Statutes of 1999 is declaratory of existing law.

(3)

(A) The Office of Environmental Health Hazard Assessment shall, at the time it commences preparation of a risk assessment for a contaminant as required by this subdivision, electronically post on its Internet Web site a notice that informs interested persons that it has initiated work on the risk assessment. The notice shall also include a brief description, or a bibliography, of the technical documents or other information the office has identified to date as relevant to the preparation of the risk assessment and inform persons who wish to submit information concerning the contaminant that is the subject of the risk assessment of the name and address of the person in the office to whom the information may be sent, the date by which the information shall be received in order for the office to consider it in the preparation of the risk assessment, and that all information submitted will be made available to any member of the public who requests it.

(B) A draft risk assessment prepared by the Office of Environmental Health Hazard Assessment pursuant to this subdivision shall be made available to the public at least 45 calendar days before the date that public comment and discussion on the risk assessment are solicited at the public workshop required by Section 57003.

(C) At the time the Office of Environmental Health Hazard Assessment publishes the final risk assessment for a contaminant, the office shall respond in writing to significant comments, data, studies, or other written information submitted by interested persons to the office in connection with the preparation of the risk assessment. These comments, data, studies, or other written information submitted to the office shall be made available to any member of the public who requests it.

(D) After the public workshop on the draft risk assessment, as required by Section 57003, is completed, the Office of Environmental Health Hazard Assessment shall submit the draft risk assessment for external scientific peer review using the process set forth in Section 57004 and shall comply with paragraph (2) of subdivision (d) of Section 57004 before publication of the final public health goal.

(d) Notwithstanding any other provision of this section, any maximum contaminant level in effect on August 22, 1995, may be amended by the state board to make the level more stringent pursuant to this section. However, the state board may only amend a maximum contaminant level to make it less stringent if the state board shows clear and convincing evidence that the maximum contaminant level should be made less stringent and the amendment is made consistent with this section.

(e)

(1) All public health goals published by the Office of Environmental Health Hazard Assessment shall be established in accordance with the requirements of subdivision (c) and shall be reviewed at least once every five years and revised, pursuant to subdivision (c), as necessary based upon the availability of new scientific data.

(2) On or before January 1, 1998, the Office of Environmental Health Hazard Assessment shall publish a public health goal for at least 25 drinking water contaminants for which a primary drinking water standard has been adopted by the state board. The office shall publish a public health goal for 25 additional drinking water contaminants by January 1, 1999, and for all remaining drinking water contaminants for which a primary drinking water standard has been adopted by the state board by no later than December 31, 2001. A public health goal shall be published by the Office of Environmental Health Hazard Assessment at the same time the state board proposes the adoption of a primary drinking water standard for any newly regulated contaminant.

(f) The state board or Office of Environmental Health Hazard Assessment may review, and adopt by reference, any information prepared by, or on behalf of, the United States Environmental Protection Agency for the purpose of adopting a national primary drinking water standard or maximum contaminant level goal when it establishes a California maximum contaminant level or publishes a public health goal.

(g) At least once every five years after adoption of a primary drinking water standard, the state board shall review the primary drinking water standard and shall, consistent with the criteria set forth in subdivisions (a) and (b), amend any standard if any of the following occur:

(1) Changes in technology or treatment techniques that permit a materially greater protection of public health or attainment of the public health goal.

(2) New scientific evidence that indicates that the substance may present a materially different risk to public health than was previously determined.

(h) No later than March 1 of every year, the state board shall provide public notice of each primary drinking water standard it proposes to review in that year pursuant to this section. Thereafter, the state board shall solicit and consider public comment and hold one or more public hearings regarding its proposal to either amend or maintain an existing standard. With adequate public notice, the state board may review additional contaminants not covered by the March 1 notice.

(i) This section shall operate prospectively to govern the adoption of new or revised primary drinking water standards and does not require the repeal or readoption of primary drinking water standards in effect immediately preceding January 1, 1997.

(j) The state board may, by regulation, require the use of a specified treatment technique in lieu of establishing a maximum contaminant level for a contaminant if the state board determines that it is not economically or technologically feasible to ascertain the level of the contaminant.

#### §116365.01. Department of Finance Review of Regulations.

(a)

(1) Notwithstanding any other provision of law or regulation, including Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2, and Part 3 (commencing with Section 13000) of the Government Code, and except as provided in subdivision (b), for any proposed regulation that relates to the maximum contaminant levels for primary or secondary drinking water standards, as defined in subdivisions (c) and (d) of Section 116275, that is submitted by the department to the Office of Administrative Law for review, pursuant to Section 11349.1 of the Government Code, the Department of Finance shall take no longer than 90 days, commencing on the date that the department submits the rule or regulation to the Department of Finance, to do any of the following:

(A) Review any estimate pursuant to subdivision (c) of Section 11357 of the Government Code.

(B) Provide a letter or documentation, if required, pursuant to Section 11349.1 of the Government Code.

(C) Complete any other function in connection with the adoption of proposed regulations that relates to the maximum contaminant levels for primary or secondary drinking water standards, as required pursuant to any provision of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(D) Return the proposed regulation if the department has not prepared the estimate required by paragraph (6) of subdivision (a) of Section 11346.5 of the Government Code, in accordance with Section 11357 of the Government Code.

(2) If the Department of Finance returns the proposed regulation pursuant to subparagraph (D) of paragraph (1), an additional 90 day time period under this section shall begin when the regulations are resubmitted by the department to the Department of Finance.

(3) If the Department of Finance takes longer than 90 days to complete any of the functions set forth in subparagraphs (A) to (D), inclusive, of paragraph (1), the proposed regulations shall be exempt from any provision of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code that requires the involvement of the Department of Finance, and the department and the Office of Administrative Law shall proceed with all other applicable procedures in connection with the adoption of proposed regulations.

(b) Subdivision (a) shall not apply to any regulation adopted by the department that reduces, weakens, lessens, or otherwise undermines any requirement established pursuant to this chapter for the protection of public health.

#### §116365.02. Adoption of Federal Regulations by Reference.

(a) The department may adopt, pursuant to subdivision (c) of Section 11346.2 of the Government Code, any rules and regulations promulgated pursuant to the federal Safe Drinking Water Act (42 U.S.C. Sec. 300f et seq.), other than those federal rules and regulations that establish maximum contaminant levels for primary and secondary drinking water standards.

(b) Rules and regulations adopted pursuant to this subdivision shall not be subject to subparagraphs (C) and (D) of paragraph (3) of subdivision (d) of Section 11349.1 of the Government Code.

#### §116365.03. Adoption of Federal Regulations by Reference, as an Emergency Regulation.

The state board may adopt as an emergency regulation, a regulation, except a regulation that establishes maximum contaminant levels for primary and secondary drinking water standards, that is not more stringent than, and is not materially different in substance and effect than, the requirements of a regulation promulgated pursuant to the federal Safe Drinking Water Act (42 U.S.C. Sec. 300f et seq.). The adoption of a regulation pursuant to this section is an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health, safety, and general welfare. Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, an emergency regulation adopted by the state board pursuant to this section is not subject to review by the Office of Administrative Law and shall remain in effect until revised by the state board.

## §116365.2. Assessment of Risk to Sensitive Populations.

(a) In conducting the periodic review and revision of public health goals pursuant to paragraph (1) of subdivision (e) of Section 116365, the Office of Environmental Health Hazard Assessment may give special consideration to those contaminants that, on the basis of currently available data or scientific evidence, cause or contribute to adverse health effects in members of subgroups that comprise a meaningful portion of the general population, including, but not limited to, infants, children, pregnant women, the elderly, individuals with a history of serious illness, or other subgroups that are identifiable as being at greater risk of adverse health effects than the general population when exposed to the contaminant in drinking water.

(b) In preparing and publishing risk assessments pursuant to subparagraph (C) of paragraph (1) of subdivision (c) of Section 116365 that involve infants and children, the office shall assess all of the following, to the extent information is available:

(1) Exposure patterns, including, but not limited to, patterns determined by relevant data, among bottle-fed infants and children that are likely to result in disproportionately high exposure to contaminants in comparison to the general population.

(2) Special susceptibility of infants and children to contaminants in comparison to the general population.

(3) The effects on infants and children of exposure to contaminants and other substances that have a common mechanism of toxicity.

(4) The interaction of multiple contaminants on infants and children.

## §116365.5. MCL for Hexavalent Chromium.

(a) The Department of Health Services shall commence the process for adopting a primary drinking water standard for hexavalent chromium that complies with the criteria established under Section 116365.

(b) The department shall report to the Legislature on its progress by developing a primary drinking standard for hexavalent chromium by January 1, 2003.

(c) The department shall establish a primary drinking water standard for hexavalent chromium on or before January 1, 2004.

## §116366. MTBE costs.

(a) No public water system, or its customers, shall be responsible for remediation or treatment costs associated with MTBE, or a product that contains MTBE, provided, however, that the public water system shall be permitted as necessary to incur MTBE remediation and treatment costs and to include those costs in its customer rates and charges, necessary to comply with drinking water standards or directives of the State Department of Health Services or other lawful authority. Any public water system that incurs MTBE remediation or treatment costs may seek recovery of those costs from parties responsible for the MTBE contamination, or from other available alternative sources of funds.

(b) If the public water system has included the costs of MTBE treatment and remediation in its customer rates and charges, and subsequently recovers all or a portion of its MTBE treatment and remediation costs from responsible parties or other available alternative sources of funds, it shall make an adjustment to its schedule of rates and charges to reflect the amount of funding received from responsible parties or other available alternative sources of funds for MTBE treatment or remediation.

(c) Subdivision (a) shall not prevent the imposition of liability on any person for the discharge of MTBE if that liability is due to the conduct or status of that person independently of whether the person happens to be a customer of the public water system.

#### §116367.5. Research Advisory Committee.

The department shall establish a Research Advisory Committee, which shall consist of 11 members. The department shall provide for the support staff and meeting facility needs of the committee. The committee shall meet as necessary to review requests for research projects pursuant to paragraph (4) of subdivision (d) of Section 116367. The committee members shall be appointed by the director and shall consist of the following members:

(a) Four members representing public water systems.

(b) Four members representing entities paying into the Underground Storage Tank Cleanup Trust Fund created pursuant to Section 25299.50.

- (c) One member representing environmental interest groups.
- (d) One member representing consumer interest groups.
- (d) One member representing the department.

## §116370. Best available technology.

On or before January 1, 1998, the department shall propose, hold a public hearing, and adopt a finding of the best available technology for each contaminant for which a primary drinking water standard has been adopted. Thereafter, the department shall adopt a finding of the best available technology for each contaminant for which a primary drinking water standard has been adopted at the time the standard is adopted. The finding of the department shall take into consideration the costs and benefits of best available treatment technology that has been proven effective under full-scale field applications.

## §116375. Department authority to adopt regulations.

The department shall adopt regulations it determines to be necessary to carry out the purposes of this chapter. The regulations shall include, but not be limited to, the following:

(a) The monitoring of contaminants, including the type of contaminant, frequency and method of sampling and testing, and the reporting of results.

(b) The monitoring of unregulated contaminants for which drinking water standards have not been established by the department. The requirements shall be not less stringent than those adopted pursuant to paragraph (2) of subsection (a) of Section 1445 of the federal Safe Drinking Water Act, as amended (42 U.S.C. Sec. 300j-4 (a)(2)). Until the time that the department adopts regulations regarding the monitoring of unregulated contaminants, the department may, by order, require any public water system that has been shown to contain detectable levels of any unregulated contaminants to conduct periodic water analyses in accordance with conditions specified by the department. The water analyses shall be reported on a quarterly basis unless the department finds that more or less frequent analysis is necessary.

(c) Requirements for the design, operation, and maintenance of public water systems, including, but not limited to, waterworks standards and the control of cross-connections, that the department determines are necessary to obtain, treat, and distribute a reliable and adequate supply of pure, wholesome, potable, and healthy water.

(d) Requirements for treatment, including disinfection of water supplies.

(e) Requirements for the filtration of surface water supplies at least as stringent as regulations promulgated pursuant to subparagraph (C) of paragraph (7) of subsection (b) of Section 1412 of the federal Safe Drinking Water Act, as amended (42 U.S.C. Sec. 300g-1 (b)(7)(C)).

(f) Requirements for notifying the public of the quality of the water delivered to consumers.

(g) Minimum acceptable financial assurances that a public water system shall be required to submit as a demonstration of its capability to provide for the ongoing operation, maintenance, and upgrading of the system, including compliance with monitoring and treatment requirements and contingencies. For privately owned systems not regulated by the Public Utilities Commission, the financial assurance may be in the form of a trust fund, surety bond, letter of credit, insurance, or other equivalent financial arrangement acceptable to the department.

(h) Program requirements for the conduct of the public water system program by a local health officer under a primacy delegation from the department as set forth in this chapter. The requirements shall include, but not be limited to, the issuance of permits, surveillance and inspections, reporting of monitoring and compliance data, and the taking of enforcement actions.

(i) Methods for determination of the number of persons served by a public water system for drinking water regulatory purposes.

(j) The adoption by the State Department of Health Services, in consultation with the State Water Resources Control Board and representatives from operators of public water systems, of emergency regulations for the uniform, scientific sampling, and analytical testing protocols for oxygenates as defined in subdivision (k) of Section 51010.5 of the Government Code.

# §116377. Emergency regulations.

The department may adopt emergency regulations in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, to implement amendments to this chapter. The initial adoption of emergency regulations and one readoption of the initial regulations shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health and safety, or general welfare. Initial emergency regulations and the first readoption of those regulations shall be exempt from review by the Office of Administrative Law. The emergency regulations authorized by this section shall be submitted to the Office of Administrative Law for filing with the Secretary of State and publication in the California Code of Regulations and shall remain in effect for not more than 180 days.

# §116379. Exclusion.

Notwithstanding Sections 116360, 116375, and 116450, public water systems are not required to observe the standards of subdivision (f) of Section 64435 of Title 22 of the California Code of Regulations.

# §116380. Point-of-entry & point-of-use in lieu of centralized treatment.

(a) The State Water Resources Control Board shall adopt regulations governing the use of point-of-entry and point-of-use treatment by public water systems in lieu of centralized treatment where it can be demonstrated that centralized treatment is not immediately economically feasible, limited to the following:

(1) Water systems with less than 200 service connections.

(2) Usage not prohibited by the federal Safe Drinking Water Act and its implementing regulations and guidance.

(3) Water systems that have submitted applications for funding to correct the violations for which the point-of-entry and point-of-use treatment is provided.

(b) The State Water Resources Control Board shall adopt emergency regulations governing the permitted use of point-of-entry and point-of-use treatment by public water systems in lieu of centralized treatment.

(1) The emergency regulations shall comply with Section 116552, and shall comply with all of the requirements set forth in subdivision (a) applicable to nonemergency regulations, but shall not be subject to the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code). The emergency regulations shall take effect when filed with the Secretary of State, and shall be published in the California Code of Regulations.

(2) The emergency regulations adopted pursuant to this subdivision shall remain in effect until the earlier of January 1, 2018, or the effective date of regulations adopted pursuant to subdivision (a).

## §116385. Monitoring authority.

Any person operating a public water system shall obtain and provide at that person's expense an analysis of the water to the department, in the form, covering those matters, and at intervals as the department by regulation may prescribe. The analysis shall be performed by a laboratory duly certified by the department.

## §116390. Laboratory accreditation requirement.

(a) No laboratory, other than a laboratory operated by the department, shall perform tests required pursuant to this chapter for any public water system without first obtaining a certificate issued by the department pursuant to Article 3 (commencing with Section 100825) of Chapter 4 of Part 1 of Division 101.

(b) No person or public entity of the state shall contract with a laboratory for environmental analyses for which the state department requires certification pursuant to this section, unless the laboratory holds a valid certificate.

# §116395. County evaluation of small public water systems.

(a) The Legislature finds and declares all of the following:

(1) The large water system testing program has discovered chemical contamination of the state's drinking water with increasing frequency.

(2) A significant number of California residents rely on the state's small water systems to provide their water.

(3) The small systems, because they tend to be located in outlying rural areas where pesticide use is prevalent, and because they draw their water from shallow aquifers, face a serious threat of contamination.

(4) Unchecked water sources that may be contaminated pose a potentially serious threat to the health of the citizens of California, particularly those living in outlying rural areas.

(5) It is in the interest of all Californians that a testing program for small public water systems be implemented and carried out as expeditiously as possible.

(b) For purposes of this section, "small public water system" means a system with 200 connections or less, and is one of the following:

(1) A community water system that serves at least 15 service connections used by yearlong residents or regularly serves at least 25 yearlong residents.

(2) A state small water system.

(3) A noncommunity water system such as a school, labor camp, institution, or place of employment, as designated by the department.

(c) The department shall conduct training workshops to assist health officers in evaluation of small public water systems for organic chemical contamination, and in sampling and testing procedures. The department shall, at a minimum, provide health officers with guidelines for evaluating systems and instructions for sampling.

(d) The department shall develop a schedule for conduct of the programs by the local health officers. The schedule shall establish a program to address first those systems with the most serious potential for contamination. The department shall enter into agreements with the local health agencies to conduct the necessary work to be performed pursuant to the schedule. The department shall begin the program no later than three months after September 19, 1985. All local health officers shall complete the evaluation, sampling, testing, review of sampling results, and notification to the public water systems within their jurisdiction in accordance with the agreements entered into with the department and within the schedule established by the department. All work required by this section shall be completed within three years after September 19, 1985.

(e) In consultation with the department, the local health officer shall conduct an evaluation of all small public water systems under their jurisdictions to determine the potential for contamination of groundwater sources by organic chemicals. The evaluation shall include, but not be limited to:

(1) A review of the historical water quality data of each system to determine possible evidence of degradation.

(2) A review, to be coordinated with the State Water Resources Control Board, and the California regional water quality control boards, of past and present waste disposal practices that may potentially affect the respective well water supply.

(3) A review of other organic chemicals used in the water supply area that have potential health risks and that may have the potential for contaminating drinking water supplies because of environmental persistence or resistance to natural degradation under conditions existing in California.

(f) Based upon the evaluation of each system, the local health officers shall develop a sampling plan for each system within their jurisdiction. The health officer shall collect samples in accordance with the plan and shall submit the samples for analysis to a certified laboratory designated by the department. When applicable, the laboratory shall test water samples using the Environmental Protection Agency's 13 approved analytical techniques established under subdivision (h) of Section 304 of the Clean Water Act to qualitatively identify the complete range of contaminants in the same class as the specific contaminant or class of contaminants being analyzed.

(g) Within 10 days of the receipt from the laboratory of the testing results, the local health officer shall notify the small public water system, the department and the California regional water quality control board for that region of the results.

(h) Following a review of the testing results, the local health officer may order the public water system to conduct a periodic water sampling and analysis program in accordance with conditions specified by the local health officer. The department shall provide ongoing advice and assistance to local health officers in interpreting test results and determining appropriate notification and followup activities in those instances where contaminants are found.

(i) This section shall be operative during any fiscal year only if the Legislature appropriates sufficient funds to pay for all state-mandated costs to be incurred by local agencies pursuant to this section during that year.

## §116400. Periodic water analyses.

If the department determines that a public water system is subject to potential contamination, the department may, by order, require the public water system to conduct a periodic water analysis in accordance with conditions specified by the department. The water analysis shall be reported on a quarterly basis, unless the department finds that reasonable action requires either more or less frequent analysis.

#### §116405. Backflow exemption.

(a) In counties with a population not exceeding 500,000 persons as shown by the 1970 federal decennial census, any public water system supplying both domestic and untreated irrigation water in separate pressurized systems that were in existence prior to January 1, 1990, and that is operated by an incorporated or unincorporated association of users, shall not require protection against backflow into the domestic water system from premises receiving both the water services and having available no other source of water, except where interconnection between the systems has taken place. It shall be a misdemeanor for any person to knowingly interconnect the water services on a user's premises without installing a backflow protection device approved by the state department.

(b) Regulations of the state department requiring the installation of backflow protection shall not be continued to require the installation of the protection in any public water system described in subdivision (a), except as provided in that subdivision.

## §116407. Standards for Backflow Protection and Cross-Connection Control.

(a) On or before January 1, 2020, the state board shall adopt standards for backflow protection and cross-connection control.

(b) The state board may implement subdivision (a) through the adoption of a policy handbook that is not subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The policy handbook shall include standards for backflow protection and cross-connection control. In developing the standards and any amendments to those standards, the state board shall consult with state and local agencies and other persons whom the state board has identified as having expertise in the subject of backflow protection and cross-connection control. The state board shall hold at least two public hearings before adopting the policy handbook. The policy handbook shall be posted on the board's Internet Web site.

(c)

(1) Upon the effective date of a policy handbook adopted by the state board pursuant to subdivision (b), the regulations set forth in Article 1 (commencing with Section 7583) and Article 2 (commencing with Section 7601) of Group 4 of Subchapter 1 of Chapter 5 of Division 1 of Title 17 of the California Code of Regulations shall become inoperative, and, 90 days thereafter, are repealed, unless the state board makes a determination not to repeal a specific regulation.

(2) If the state board determines not to repeal a specific regulation pursuant to paragraph (1), the state board shall provide to the Office of Administrative Law and the Secretary of State written notice of its determination, including identification of the specific regulation that is not repealed. That regulation, upon the provision of that written notice to the Office of Administrative Law and the Secretary of State, shall become operative.

## Article 3.5. Fluoridation of Drinking Water §116409. Legislative Findings and Declarations.

(a) Promotion of the public health of Californians of all ages by protection and maintenance of dental health through the fluoridation of drinking water is a paramount issue of statewide concern.

(b) It is the intent of the Legislature in enacting this article to preempt local government regulations, ordinances, and initiatives that prohibit or restrict the fluoridation of drinking water by public water systems with 10,000 or more service connections, without regard to whether the public water system might otherwise be exempt from Section 116410 or the requirements of this section, pursuant to Section 116415.

(c) It is further the intent of the Legislature in establishing this article to decrease the burden the Medi-Cal and the Denti-Cal programs place upon the state's limited funds.

## §116410. Fluoridation requirement.

(a) Each public water system with at least 10,000 service connections and with a natural level of fluorides that is less than the minimum established in the regulations adopted pursuant to this section shall be fluoridated in order to promote the public health of Californians of all ages through the protection and maintenance of dental health, a paramount issue of statewide concern. The department shall adopt regulations pursuant to Chapter 3.5 (commencing with Section 11340) of Division 3 of Title 2 of the Government Code, requiring the fluoridation of public water systems. By July 1, 1996, and at 10-year intervals thereafter, each public water system with at least 10,000 service connections shall provide to the department an estimate of the total capital costs to install fluoridation treatment. The regulations adopted by the department shall take effect on January 1, 1997. Capital costs estimates are no longer required after installation of the fluoridation treatment.

(b) The regulations shall include, but not be limited to, the following:

(1) Minimum and maximum permissible concentrations of fluoride to be maintained by fluoridation of public water systems.

(2) The requirements and procedures for maintaining proper concentrations of fluoride, including equipment, testing, recordkeeping, and reporting.

(3) Requirements for the addition of fluorides to public water systems in which the natural level of fluorides is less than the minimum level established in the regulations.

(4) A schedule for the fluoridation of public water systems with at least 10,000 service connections, based on the lowest capital cost per connection for each system.

(c) The purpose of the schedule established pursuant to paragraph (4) of subdivision (b) is not to mandate the order in which public water systems receiving funding from private sources must fluoridate their water. Available funds may be offered to any system on the schedule.

(d) The estimates provided to the department pursuant to subdivision (a) of this section and subdivision (g) of Section 116415 of the total capital and associated costs and noncapital operation and maintenance costs related to fluoridation treatments and the similar estimates provided to those sources offering to provide the funds set forth in paragraph (1) of subdivision (a) of Section 116415 shall be reasonable, as determined by the department. A registered civil engineer recognized or employed by the department who is familiar with the design, construction, operation, and maintenance of fluoridations systems shall determine for the department whether the costs are reasonable.

(e) As used in this section and Section 116415, "costs" means only those costs that require an actual expenditure of funds or resources, and do not include costs that are intangible or speculative, including, but not limited to, opportunity or indemnification costs.

(f) Any public water system with multiple water sources, when funding is not received to fluoridate all sources, is exempt from maintaining otherwise required fluoridations levels in areas receiving any nonfluoridated water. The exemption shall be in effect only until the public water system receives funding to fluoridate the entire water system and the treatment facilities are installed and operational.

## §116415. Fluoridation exemption.

(a)

(1) A public water system is not required to fluoridate pursuant to Section 116410, or the regulations adopted thereunder by the department, in any of the following situations:

(A) If the public water system is listed on the schedule to implement a fluoridation program pursuant to paragraph (4) of subdivision (b) of Section 116410 and funds are not offered pursuant to a binding contractual offer to the public water system sufficient to pay the capital and associated costs from any outside source. As used in this section, "outside source" means a source other than the system's ratepayers, shareholders, local taxpayers, bondholders, or any fees or charges levied by the water system.

(B) If the public water system has been offered pursuant to a binding contractual offer the capital and associated funds necessary for fluoridation as set forth in subparagraph (A) and has completed the installation of a fluoridation system, however, in any given fiscal year (July 1-June 30, inclusive) funding is not available to the public water system sufficient to pay the noncapital operation and maintenance costs described in subdivision (g) from any outside source other than the system's ratepayers, shareholders, local taxpayers, bondholders, or any fees or charges levied by the water system. A binding contractual offer to provide funds for 12 months, without regard to fiscal year, of noncapital operation and maintenance costs shall render a water system unqualified for an exemption under this subparagraph for that year.

(C) If the funding provided by an outside source for capital and associated costs is depleted prior to completion of the installation of a fluoridation system and funds sufficient to complete the installation have not been offered pursuant to a binding contractual offer to the public water system by an outside source. In the event of a disagreement between the public water system and an outside funding source about the reasonableness of additional capital and associated costs, in order to qualify for an exemption under this subparagraph the costs overruns must be found to be reasonable by a registered civil engineer recognized or employed by the department who is familiar with the design, construction, operation, and maintenance of fluoridation systems.

(2) Each year the department shall prepare and distribute a list of those water systems that do not qualify for exemption under this section from the fluoridation requirements of Section 116410. This list shall include water systems that have been offered, have received, or are expected to receive, sufficient funding for capital and associated costs so as to not qualify for exemption under subparagraph (A) of paragraph (1), and have either (A) been offered or have received, or anticipate receiving, sufficient noncapital maintenance and operation funding pursuant to subdivision (g), or (B) have not yet completed the installation of a fluoridation system, so that they do not qualify for exemption under subparagraph (B) of paragraph (1).

(3) Any water system that has been offered pursuant to a binding contractual offer the funds necessary for fluoridation as set forth in subparagraph (A) of paragraph (1), and is not included in the list pursuant to paragraph (2), may elect to exercise the option not to fluoridate during the following fiscal year pursuant to subparagraph (B) of paragraph (1) by so notifying the department by certified mail on or before June 1.

(4) The permit issued by the department for a public water system that is scheduled to implement fluoridation pursuant to paragraph (4) of subdivision (b) of Section 116410 shall specify whether it is required to fluoridate pursuant to Section 116410, or whether it has been granted an exemption pursuant to either subparagraph (A) or subparagraph (B) of paragraph (1).

(b) The department shall enforce Section 116410 and this section, and all regulations adopted pursuant to these sections, unless delegated pursuant to a local primary agreement.

(c) If the owner or operator of any public water system subject to Section 116410 fails, or refuses, to comply with any regulations adopted pursuant to Section 116410, or any order of the department implementing these regulations, the Attorney General shall, upon the request of the department, institute mandamus proceedings, or other appropriate proceedings, in order to compel compliance with the order, rule, or regulation. This remedy shall be in addition to all other authorized remedies or sanctions.

(d) Neither this section nor Section 116410 shall supersede subdivision (b) of Section 116410.

(e) The department shall seek all sources of funding for enforcement of the standards and capital cost requirements established pursuant to this section and Section 116410, including, but not limited to, all of the following:

(1) Federal block grants.

(2) Donations from private foundations. Expenditures from governmental sources shall be subject to specific appropriation by the Legislature for these purposes.

(f) A public water system with less than 10,000 service connections may elect to comply with the standards, compliance requirements, and regulations for fluoridation established pursuant to this section and Section 116410.

(g) Costs, other than capital costs, incurred in complying with this section and Section 116410, including regulations adopted pursuant to those sections, may be paid from federal grants, or donations from private foundations, for these purposes. Each public water system that will incur costs, other than capitalization costs, as a result of compliance with this section and Section 116410, shall provide an estimate to the department of the anticipated total annual operations and maintenance costs related to fluoridation treatment by January 1 of each year.

(h) A public water system subject to the jurisdiction of the Public Utilities Commission shall be entitled to recover from its customers all of its capital and associated costs, and all of its operation and maintenance expenses associated with compliance with this section and Section 116410. The Public Utilities Commission shall approve rate increases for an owner or operator of a public water system that is subject to its jurisdiction within 45 days of the filing of an application or an advice letter, in accordance with the commission's requirements, showing in reasonable detail the amount of additional revenue required to recover the foregoing capital and associated costs, and operation and maintenance expenses.

# Article 4. Exemptions and Variances §116425. Exemptions.

(a) The state board may exempt a public water system from a maximum contaminant level or treatment technique requirement if it finds all the following:

(1) The public water system was in operation, or had applied for a permit to operate, on the effective date of the maximum contaminant level or treatment technique requirement.

(2) Due to compelling factors, which may include either of the following factors, the public water system is unable to comply with the maximum contaminant level or treatment technique requirement or to implement measures to develop an alternative water supply:

(A) Economic factors.

(B) The entire service area of the public water system consists of a disadvantaged community, as defined under Section 1452(d) of the federal Safe Drinking Water Act (42 U.S.C. Sec. 300g-5), and meets the affordability criteria established by the department, after review and public hearing.

(3) The granting of the exemption will not result in an unreasonable risk to health.

(4) Management or restructuring changes, or both, cannot reasonably be made that will result in compliance with this chapter or, if compliance cannot be achieved, improve the quality of the drinking water.

(b) If the state board grants a public water system an exemption for a primary drinking water standard under subdivision (a), the state board shall prescribe, at the time the exemption is granted, a schedule for both of the following:

(1) Compliance by the public water system with each contaminant level or treatment technique requirement for which the exemption was granted.

(2) Implementation by the public water system of interim control measures the state board may require for each contaminant or treatment technique requirement for which the exemption was granted.

(c) Any schedule prescribed by the state board pursuant to this section shall require compliance by the public water system with each contaminant level or treatment technique requirement for which the exemption was granted within 12 months from the granting of the exemption.

(d) The final date for compliance with any schedule issued pursuant to this section may be extended by the state board for a period not to exceed three years from the date of the granting of the exemption if the state board finds all of the following:

(1) The system cannot meet the standard without capital improvements that cannot be completed before the date established pursuant to Section 1412(b)(1) of the federal Safe Drinking Water Act (42 U.S.C. 300g-(b)(1)).

(2) In the case of a system that needs financial assistance for the necessary improvements, the system has entered into an agreement to obtain the financial assistance or the system has entered into an enforceable agreement to become part of a regional public water system.

(3) The system is taking all practicable steps to meet the standard.

(e) In the case of a system that does not serve more than a population of 3,300 and that needs financial assistance for the necessary improvements, an exemption granted pursuant to paragraph (2) of subdivision (d) shall not exceed a total of six years.

(f) Prior to the granting of an exemption pursuant to this section, the state board shall provide notice and an opportunity for a public hearing. Notice of any public hearing held pursuant to this section shall be given by the state board in writing to the public water system seeking the exemption and to the public as provided in Section 6061 of the Government Code. A public hearing provided pursuant to this subdivision is not an adjudicative hearing and is not required to comply with Section 100171.

(g) A public water system shall not receive an exemption under this section if the system is granted a variance pursuant to Section 116430.

(h) Unless the state board has already granted an exemption pursuant to subdivision (a), the state board may exempt a public water system from compliance with a maximum contaminant level or treatment technique requirement for up to two years if the state board finds, and continues to find, that a plan submitted by the water system may reasonably be expected to bring the water system into compliance by any of the following means:

(1) The physical consolidation of the system with one or more other systems.

(2) The consolidation of significant management and administrative functions of the system with one or more other systems.

(3) The transfer of ownership of the system.

#### §116430. Variances.

(a) The department may grant a variance or variances from primary drinking water standards to a public water system. Any variance granted pursuant to this subdivision shall conform to the requirements established under the federal Safe Drinking Water Act, as amended (42 U.S.C. Sec. 300g-4).

#### (b)

(1) In addition to the authority provided in subdivision (a), at the request of any public water system, the department shall grant a variance from the primary drinking water standard adopted by the department for fluoride. A variance granted by the department pursuant to this subdivision shall prohibit fluoride levels in excess of 75 percent of the maximum contaminant level established in the national primary drinking water regulation adopted by the United States Environmental Protection Agency for fluoride, or three milligrams per liter, whichever is higher, and shall be valid for a period of up to 30 years. The department shall review each variance granted pursuant to this section at least every five years. The variance may be withdrawn upon reasonable notice by the department if the department determines that the community served by the public water system no longer accepts the fluoride level authorized in the variance or the level of fluoride authorized by the variance poses an unreasonable risk to health. In no case may a variance be granted in excess of the United States Environmental Protection Agency maximum contaminant level.

(2) The department shall grant a variance pursuant to paragraph (1) only if it determines, after conducting a public hearing in the community served by the public water system, that there is no substantial community opposition to the variance and the variance does not pose an unreasonable risk to health. The public water system shall provide written notification, approved by the department, to all customers which shall contain at least the following information:

(A) The fact that a variance has been requested.

(B) The date, time and location of the public hearing that will be conducted by the department.

(C) The level of fluoride that will be allowed by the requested variance and how this level compares to the maximum contaminant levels prescribed by the state primary drinking water standard, the federal national primary drinking water regulation, and the federal national secondary drinking water regulation.

(D) A discussion of the types of health and dental problems that may occur when the fluoride concentration exceeds the maximum contaminant levels prescribed by the state standard and the federal regulations.

(3) If, at any time after a variance has been granted pursuant to paragraph (1), substantial community concerns arise concerning the level of fluoride present in the water supplied by the public water system, the public water system shall notify the department, conduct a public hearing on the concerns expressed by the community, determine the fluoride level that is acceptable to the community, and apply to the department for an amendment to the variance which reflects that determination.

## §116431. Hexavalent Chromium Compliance Plan

(a) At the request of any public water system that prepares and submits a compliance plan to the state board, the state board may grant a period of time to achieve compliance with the primary drinking water standard for hexavalent chromium by the state board's written approval of the compliance plan.

## (b)

(1) A compliance plan shall include all of the following:

(A) A compelling reason why it is not feasible for the system to presently comply with the primary drinking water standard for hexavalent chromium.

(B) A summary of the public water system's review of available funding sources, the best available technology or technologies for treatment, and other options to achieve and maintain compliance with the primary drinking water standard for hexavalent chromium by the earliest feasible date.

(C) A description of the actions the public water system is taking and will take by milestone dates to comply with the primary drinking water standard for hexavalent chromium by the earliest feasible date. The actions may include, but are not limited to, planning, designing, permitting, financing, constructing, testing, and activating treatment facilities or other capital improvements. The compliance plan shall include the public water system's best estimate of the funding required for compliance and the actions that the public water system will take to secure the funding. In no event shall the earliest feasible date extend beyond January 1, 2020.

- (2) The state board may do either of the following:
  - (A) Approve a compliance plan.

(B) Provide written comments on the compliance plan to the public water system. The comments may include requiring the public water system's compliance, prior to January 1, 2020, with the primary drinking water standard for hexavalent chromium if the earliest feasible date, based on review of the compliance plan and based on the public water system's specific circumstances identified in the plan, is prior to January 1, 2020. If the state board provides written comments, the public water system may submit a revised compliance plan that the state board may approve if the plan timely and adequately addresses any and all written comments provided by the state board.

(c) The public water system shall provide written notice regarding the compliance plan to the persons served by the public water system at least two times per year. The written notice shall meet the translation requirements provided in subdivision (h) of Section 116450 and shall include notice of all of the following:

(1) That the public water system is implementing the compliance plan that has been approved by the state board and that demonstrates the public water system is taking the needed feasible actions to comply with the primary drinking water standard for hexavalent chromium. The notice shall summarize those actions in a form and manner determined by the state board. For notices after the initial notice, the public water system shall update information demonstrating progress implementing the compliance plan.

(2) That the persons served by the public water system have access to alternative drinking water and that the public water system shall provide information on that drinking water. The notice shall identify where that information may be obtained.

(3) Basic information describing hexavalent chromium, including the level found in drinking water provided by the public water system, the maximum contaminant level for hexavalent chromium, and the possible effects of hexavalent chromium on human health as specified in Appendix 64465-D of Section 64465 of Title 22 of the California Code of Regulations.

(d) Following the state board's approval of the compliance plan, the public water system shall submit a written status report to the state board, at a frequency and by a deadline or deadlines set by the state board, for the state board's approval, that updates the status of actions specified in the state board-approved compliance plan and that specifies any changes to the compliance plan that are needed to achieve compliance with the primary drinking water standard for hexavalent chromium by the earliest feasible date. State board approval of a written status report that includes proposed changes to the compliance plan shall be deemed approval of the proposed changes to the compliance plan.

(e) A public water system shall not be deemed in violation of the primary drinking water standard for hexavalent chromium while implementing an approved compliance plan. A public water system that has submitted a compliance plan for approval shall not be deemed in violation of the primary drinking water standard for hexavalent chromium while state board action on the proposed and submitted compliance plan is pending.

(f)

(1) At any time, the state board may direct revisions to a compliance plan or disapprove a compliance plan if the state board determines that the actions and timelines addressed in the compliance plan are inadequate to achieve compliance by the earliest feasible date. At any time, the state board may disapprove a written status report if the state board determines that the written status report fails to demonstrate that the public water system is complying with the approved compliance plan by the milestone dates. In these instances, the state board shall provide the public water system with written notice specifying the reason for the required revisions or disapproval and the deficiencies that shall be addressed in a resubmitted compliance plan or written status report.

(2) A previously approved compliance plan that the state board requires to be revised, or a written status report that is disapproved by the state board, may be revised and resubmitted by the public water system for state board approval within 60 days of receipt of the notice required by paragraph (1). During the 60 days, a public water system shall not be deemed in violation of the primary drinking water standard for hexavalent chromium. A public water system shall not be granted a period of time to achieve compliance with the primary drinking water standard for hexavalent chromium if the public water system fails to submit a revised compliance plan or revised written status report within 60 days of receiving the notice, or submits a revised compliance plan or revised written status report that is subsequently disapproved.

(3) A compliance plan approved by the state board pursuant to this section shall continue in effect until the earliest feasible compliance date, as specified by the compliance plan, or until the water system fails to retain state board approval of the compliance plan.

(g) The state board may implement, interpret, or make specific the provisions of this section by means of criteria, published on its Internet Web site. This action by the state board shall not be subject to the rulemaking requirements of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

(h) This section does not affect the state's requirements for establishing drinking water standards for contaminants in drinking water. This section does not apply to any contaminants other than hexavalent chromium. This section is intended to address the specific circumstance that, for some public water systems, compliance with the state's hexavalent chromium drinking water standard requires the design, financing, and construction of capital improvements. These major compliance actions necessitate a period of time for compliance.

(i) This section shall remain in effect only until January 1, 2020, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2020, deletes or extends that date.

## *Article 5. Public Notification* <u>§116450. Notification to Department and users.</u>

(a) When any primary drinking water standard specified in the department's regulations is not complied with, when a monitoring requirement specified in the department's regulations is not performed, or when a water purveyor fails to comply with the conditions of any variance or exemption, the person operating the public water system shall notify the department and shall give notice to the users of that fact in the manner prescribed by the department. When a variance or an exemption is granted, the person operating the public water system shall give notice to the users of that fact.

(b) When a person operating a public water system determines that a significant rise in the bacterial count of water has occurred in water he or she supplies, the person shall provide, at his or her expense, a report on the rise in bacterial count of the water, together with the results of an analysis of the water, within 24 hours to the department and, where appropriate, to the local health officer.

(c) When the department receives the information described in subdivision (b) and determines that it constitutes an immediate danger to health, the department shall immediately notify the person operating the public water system to implement the emergency notification plan required by this chapter.

(d) In the case of a failure to comply with any primary drinking water standard that represents an imminent danger to the health of water users, the operator shall notify each of his or her customers as provided in the approved emergency notification plan.

(e) In addition, the same notification requirement shall be required in any instance in which the department or the local health department recommends to the operator that it notify its customers to avoid internal consumption of the water supply and to use bottled water due to a chemical contamination problem that may pose a health risk.

(f) The content of the notices required by this section shall be approved by the department. Notice shall be repeated at intervals, as required by the department, until the department concludes that there is compliance with its standards or requirements. Notices may be given by the department. In any case where public notification is required by this section because a contaminant is present in drinking water at a level in excess of a primary drinking water standard, the notification shall include identification of the contaminant, information on possible effects of the contaminant on human health, and information on specific measures that should be taken by persons or populations who might be more acutely affected than the general population.

(g) Whenever a school or school system, the owner or operator of residential rental property, or the owner or operator of a business property receives a notification from a person operating a public water system under any provision of this section, the school or school system shall notify school employees, students and parents if the students are minors, the owner or operator of a residential rental property shall notify tenants, and the owner or operator of business property shall notify employees of businesses located on the property.

(1) The operator shall provide the customer with a sample notification form that may be used by the customer in complying with this subdivision and that shall indicate the nature of the problem with the water supply and the most appropriate methods for notification that may include, but is not limited to, the sending of a letter to each water user and the posting of a notice at each site where drinking water is dispensed.

(2) The notice required by this subdivision shall be given within 10 days of receipt of notification from the person operating the public water system.

(3) Any person failing to give notice as required by this subdivision shall be civilly liable in an amount not to exceed one thousand dollars (\$1,000) for each day of failure to give notice.

(4) If the operator has evidence of noncompliance with this subdivision the operator shall report this information to the local health department and the department.

(h)

(1) Notwithstanding any other provision of law, commencing July 1, 2012, a written Tier 1 public notice given by a public water system pursuant to this section shall comply with the following:

(A) It shall be provided in English, Spanish, and in the language spoken by any non-English-speaking group that exceeds 10 percent of persons served by the public water system, and it shall contain a telephone number or address where residents may contact the public water system for assistance.

(B) For each non-English-speaking group that speaks a language other than Spanish and that exceeds 1,000 residents but is less than 10 percent of the persons served by the public water system described in subparagraph (A), the notice shall contain information regarding the importance of the notice and a telephone number or address where the public water system will provide either a translated copy of the notice or assistance in the appropriate language. (2)

(A) After July 1, 2012, it shall be presumed that the public water system has determined the appropriate languages for notification pursuant to paragraph (1) if the public water system has made a reasonable attempt to utilize the data available through the American Community Survey of the United States Census Bureau to identify the non-English speaking groups that reside in a city, county, or city and county that encompasses the service area of the public water system.

(B) After July 1, 2012, it shall be presumed that the notice has been correctly translated if the public water system has made a reasonable attempt to obtain either in-house or contracted-for translation services for providing a translated copy of the notice or assistance in the appropriate languages pursuant to paragraph (1) and the translated copy of the notice or assistance has been provided.

(C) After July 1, 2012, if the public water system has made a reasonable attempt to have the notice required by paragraph (1) translated into the appropriate languages, it shall be presumed that a notice translated into languages other than Spanish has been adequately provided if it contains translations in the appropriate languages of all of the following:

(i) Identification of the contaminant.

(ii) Information on the health effects associated with the presence of the contaminant in drinking water at a level in excess of the primary drinking water standard.

(iii) Actions that members of the public should take to protect their health, such as, for example, "Do not drink," "Boil water before using," or "Stop boiling your water."

(3) In addition to nonwritten notification provided for in the public water system's emergency notification plan, the public water system may, and is encouraged to, provide notice through foreign language media outlets.

(4) For purposes of this subdivision, "Tier 1 public notice" means a public notice as defined pursuant to Section 64401.71 of Title 22 of the California Code of Regulations.

(5) Nothing in this subdivision shall require the department to review or approve notices in any language other than English.

## §116451. Department effort to ensure notification

If user notification is required pursuant to Section 116450, the department shall make a reasonable effort to ensure that notification is given.

#### §116455. Notification to local agency of source contamination.

(a) A public water system shall comply with the requirements of this section within 30 days after it is first informed of a confirmed detection of a contaminant found in drinking water delivered by the public water system for human consumption that is in excess of a maximum contaminant level, a notification level, or a response level established by the department.

(1) If the public water system is a wholesale water system, then the person operating the wholesale water system shall notify the wholesale water system's governing body and the water systems that are directly supplied with that drinking water. If the wholesale water system is a water company regulated by the California Public Utilities Commission, then the wholesale water system shall also notify the commission. The commission in the exercise of its general and specific powers to ensure the health, safety, and availability of drinking water served by the utilities subject to its jurisdiction, may order further action that is not inconsistent with the standards and regulations of the department to ensure a potable water supply.

(2) If the public water system is a retail water system, then the person operating the retail water system shall notify the retail water system's governing body and the governing body of any local agency whose jurisdiction includes areas supplied with drinking water by the retail water system. If the retail water system is a water company regulated by the California Public Utilities Commission, then the retail water system shall also notify the commission. The commission, in the exercise of its general and specific powers to ensure the health, safety, and availability of drinking water served by the utilities subject to its jurisdiction, may order further action that is not inconsistent with the standards and regulations of the department to ensure a potable water supply.

(b) The notification required by subdivision (a) shall identify the drinking water source, the origin of the contaminant, if known, the maximum contaminant level, response level, or notification level, as appropriate, the concentration of the detected contaminant, and the operational status of the drinking water source, and shall provide a brief and plainly worded statement of health concerns.

(c) For purposes of this section, the following terms have the following meanings:

(1) "Drinking water source" means an individual groundwater well, an individual surface water intake, or in the case of water purchased from another water system, the water at the service connection.

(2) "Local agency" means a city or county, or a city and county.

(3) "Notification level" means the concentration level of a contaminant in drinking water delivered for human consumption that the department has determined, based on available scientific information, does not pose a significant health risk but warrants notification pursuant to this section. Notification levels are nonregulatory, health-based advisory levels established by the department for contaminants in drinking water for which maximum contaminant levels have not been established. Notification levels are established as precautionary measures for contaminants that may be considered candidates for establishment of maximum contaminant levels, but have not yet undergone or completed the regulatory standard setting process prescribed for the development of maximum contaminant levels and are not drinking water standards.

(4) "Response level" means the concentration of a contaminant in drinking water delivered for human consumption at which the department recommends that additional steps, beyond notification pursuant to this section, be taken to reduce public exposure to the contaminant. Response levels are established in conjunction with notification levels for contaminants that may be considered candidates for establishment of maximum contaminant levels, but have not yet undergone or completed the regulatory standard setting process prescribed for the development of maximum contaminant levels and are not drinking water standards.

(5) "Retail water system" means a public water system that supplies water directly to the end user.

(6) "Wholesale water system" means a public water system that supplies water to other public water systems for resale.

## §116460. Emergency notification plan requirement.

No person shall operate a public water system without an emergency notification plan that has been submitted to and approved by the department. The emergency notification plan shall 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.

No permit, variance, or exemption may be issued or amended under this chapter until an emergency notification plan has been approved by the department.

The department shall adopt regulations to implement the provisions of this section. The regulations may provide for the exclusion of public water systems from the requirements of this section when, in the judgment of the department, the exclusion will best serve the public interest.

## §116465. PUC orders for additional facilities.

Upon formal complaint by the director alleging that additional facilities are necessary to provide the users of a public water system operated by a public utility under the jurisdiction of the Public Utilities Commission with a continuous and adequate supply of water or to bring the water system into conformity with secondary drinking water standards, the commission may, after hearing, direct the public utility to make the changes in its procedures or additions to its facilities as the commission shall determine are necessary to provide a continuous and adequate supply of water to the users thereof or to bring the system into conformity with secondary drinking water standards. Any proceeding of the commission pursuant to this article shall be conducted as provided in Chapter 9 (commencing with Section 1701) of Part 1 of Division 1 of the Public Utilities Code, and any order issued by the commission pursuant to this action shall be subject to judicial review as provided in Chapter 9.

#### §116470. Consumer confidence report and PHG report.

(a) As a condition of its operating permit, every public water system shall annually prepare a consumer confidence report and mail or deliver a copy of that report to each customer, other than an occupant, as defined in Section 799.28 of the Civil Code, of a recreational vehicle park. A public water system in a recreational vehicle park with occupants as defined in Section 799.28 of the Civil Code shall prominently display on a bulletin board at the entrance to or in the office of the park, and make available upon request, a copy of the report. The report shall include all of the following information:

(1) The source of the water purveyed by the public water system.

(2) A brief and plainly worded definition of the terms "maximum contaminant level," "primary drinking water standard," and "public health goal."

(3) If any regulated contaminant is detected in public drinking water supplied by the system during the past year, the report shall include all of the following information:

(A) The level of the contaminant found in the drinking water, and the corresponding public health goal and primary drinking water standard for that contaminant.

(B) Any violations of the primary drinking water standard that have occurred as a result of the presence of the contaminant in the drinking water and a brief and plainly worded statement of health concerns that resulted in the regulation of that contaminant.

(C) The public water system's address and phone number to enable customers to obtain further information concerning contaminants and potential health effects.

(4) Information on the levels of unregulated contaminants, if any, for which monitoring is required pursuant to state or federal law or regulation.

(5) Disclosure of any variances or exemptions from primary drinking water standards granted to the system and the basis therefor.

(b) On or before July 1, 1998, and every three years thereafter, public water systems serving more than 10,000 service connections that detect one or more contaminants in drinking water that exceed the applicable public health goal, shall prepare a brief written report in plain language that does all of the following:

(1) Identifies each contaminant detected in drinking water that exceeds the applicable public health goal.

(2) Discloses the numerical public health risk, determined by the office, associated with the maximum contaminant level for each contaminant identified in paragraph (1) and the numerical public health risk determined by the office associated with the public health goal for that contaminant.

(3) Identifies the category of risk to public health, including, but not limited to, carcinogenic, mutagenic, teratogenic, and acute toxicity, associated with exposure to the contaminant in drinking water, and includes a brief plainly worded description of these terms.

(4) Describes the best available technology, if any is then available on a commercial basis, to remove the contaminant or reduce the concentration of the contaminant. The public water system may, solely at its own discretion, briefly describe actions that have been taken on its own, or by other entities, to prevent the introduction of the contaminant into drinking water supplies.

(5) Estimates the aggregate cost and the cost per customer of utilizing the technology described in paragraph (4), if any, to reduce the concentration of that contaminant in drinking water to a level at or below the public health goal.

(6) Briefly describes what action, if any, the local water purveyor intends to take to reduce the concentration of the contaminant in public drinking water supplies and the basis for that decision.

(c) Public water systems required to prepare a report pursuant to subdivision (b) shall hold a public hearing for the purpose of accepting and responding to public comment on the report. Public water systems may hold the public hearing as part of any regularly scheduled meeting.

(d) The department shall not require a public water system to take any action to reduce or eliminate any exceedance of a public health goal.

(e) Enforcement of this section does not require the department to amend a public water system's operating permit.

(f) Pending adoption of a public health goal by the Office of Environmental Health Hazard Assessment pursuant to subdivision (c) of Section 116365, and in lieu thereof, public water systems shall use the national maximum contaminant level goal adopted by the United States Environmental Protection Agency for the corresponding contaminant for purposes of complying with the notice and hearing requirements of this section.

(g) This section is intended to provide an alternative form for the federally required consumer confidence report as authorized by 42 U.S.C. Section 300g-3(c).

#### §116475. Emergency Grant Fund.

(a) The Emergency Clean Water Grant Fund is hereby established in the General Fund and, notwithstanding Section 13340 of the Government Code, is continuously appropriated to the department, without regard to fiscal years, to provide financial assistance to public water systems and to fund emergency actions by the department to ensure that safe drinking water supplies are available to all Californians who are served by public water systems.

(b) The department may expend funds in the Emergency Clean Water Grant Fund for the purposes specified in subdivision (a), including, but not limited to, payment for all of the following actions:

(1) The provision of alternative water supplies and bottled water.

(2) Improvements of the existing water supply system.

(3) Hookups with adjacent water systems.

(4) Design, purchase, installation, and operation and maintenance of water treatment technologies.

(c) The department shall develop and revise guidelines for the allocation and administration of moneys in the Emergency Clean Water Grant Fund. These guidelines shall include, but are not limited to, all of the following:

(1) A definition of what constitutes an emergency requiring an alternative or improved water supply.

(2) Priorities and procedures for allocating funds.

(3) Repayment provisions, as appropriate.

(4) Procedures for recovering funds from parties responsible for the contamination of public water supplies.

The guidelines are not subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

## §116480. Emergency Grant Fund limitations.

(a) The department shall expend moneys available in the Emergency Clean Water Grant Fund only for the purpose of taking corrective action necessary to remedy or prevent an emergency or imminent threat to public health due to the contamination or potential contamination of the public water supply.

(b) Notwithstanding any other provision of law, the department may enter into written contracts for remedial action taken or to be taken pursuant to subdivision (a), and may enter into oral contracts, not to exceed ten thousand dollars (\$10,000) in obligation, when, in the judgment of the department, immediate remedial action is necessary to remedy or prevent an emergency specified in subdivision (a). The contracts, written or oral, may include provisions for the rental or purchase of tools and equipment, either with or without operators, for the furnishing of labor and materials and for engineering consulting necessary to accomplish the work.

#### §116485. Exemption for emergency grants.

Any remedial action taken or contracted for by the department pursuant to Section 116480 shall be exempt from the following provisions:

(a) State Contract Act provided for pursuant to Chapter 1 (commencing with Section 10100) of Part 2 of Division 2 of the Public Contract Code.

(b) Chapter 10 (commencing with Section 4525) of Division 5 of Title 1 of the Government Code.

(c) Section 14780 of the Government Code and Article 5 (commencing with Section 10355) of Chapter 2 of Part 2 of Division 2 of the Public Contract Code.

(d) Article 4 (commencing with Section 10335) of Chapter 2 of Part 2 of Division 2 of the Public Contract Code.

# Article 6. Enforcement Responsibility <u>§116500. Contract county authority.</u>

This chapter shall be enforced directly by the department for all public water systems, including state small water systems, in any county that does not have a local health officer, or contracts with the department for environmental health services pursuant to Section 1157 and elects not to enforce this chapter.

## Article 7. Requirements and Compliance <u>§116525. Permits.</u>

(a) No person shall operate a public water system unless he or she first submits an application to the department and receives a permit as provided in this chapter. A change in ownership of a public water system shall require the submission of a new application.

(b) The department may require a new application whenever a change in regulatory jurisdiction has occurred.

(c) The department may renew, reissue, revise, or amend any domestic water supply permit whenever the department deems it to be necessary for the protection of public health whether or not an application has been filed.

#### §116527. Water-Related Improvement.

(a) As used in this section, "water-related improvement" includes, but is not limited to, a water pipe, a water pump, or drinking water infrastructure.

(b)

(1) Before a person submits an application for a permit for a proposed new public water system, the person shall first submit a preliminary technical report to the state board at least six months before initiating construction of any water-related improvement.

(2) In order to assist in expediting the permitting process, a person that is considering submitting an application for a permit for a proposed new public water system is encouraged, but is not required, to submit the preliminary technical report no later than seven days after submission of an application to the city or county for a building permit for any water-related improvement.

(3) For a proposed new public water system that would be regulated by a local primacy agency, the applicant shall also submit a copy of the preliminary technical report to the state board.

(c) The preliminary technical report shall include all of the following:

(1) The name of each public water system for which any service area boundary is within three miles, as measured through existing public rights-of-way, of any boundary of the applicant's proposed public water system's service area.

(2) A discussion of the feasibility of each of the adjacent public water systems identified pursuant to paragraph (1) annexing, connecting, or otherwise supplying domestic water to the applicant's proposed new public water system's service area. The applicant shall consult with each adjacent public water system in preparing the report and shall include in the report any information provided by each adjacent public water system regarding the feasibility of annexing, connecting, or otherwise supplying domestic water to that service area.

(3) A discussion of all actions taken by the applicant to secure a supply of domestic water from an existing public water system for the proposed new public water system's service area.

(4) All sources of domestic water supply for the proposed new public water system.

(5) The estimated cost to construct, operate, and maintain the proposed new public water system, including long-term operation and maintenance costs and a potential rate structure.

(6) A comparison of the costs associated with the construction, operation and maintenance, and long-term sustainability of the proposed new public water system to the costs associated with providing water to the proposed new public water system's service area through annexation by, consolidation with, or connection to an existing public water system.

(7) A discussion of all actions taken by the applicant to pursue a contract for managerial or operational oversight from an existing public water system.

(8) An analysis of whether a proposed new public water system's total projected water supplies available during normal, single dry, or multiple dry water years during a 20-year projection will meet the projected water demand for the service area.

(9) Any information provided by the local agency formation commission. The applicant shall consult with the local agency formation commission if any adjacent public water system identified pursuant to paragraph (1) is a local agency as defined by Section 56054 of the Government Code.

(d)

(1) If documents prepared to comply with Division 13 (commencing with Section 21000) of the Public Resources Code or any other application for public agency approval concerning providing drinking water to the proposed new public water system's service area include the information required by subdivision (c), including documentation of the consultation with each adjacent public water system and the local agency formation commission, the applicant may submit those documents to the state board in lieu of the preliminary technical report and the documents shall be considered the functional equivalent of the preliminary technical report.

(2) If documents prepared to comply with Division 13 (commencing with Section 21000) of the Public Resources Code or any other application for public agency approval concerning providing drinking water to the proposed new public water system's service area include some, but not all, of the information required by subdivision (c), including documentation of the consultation with an adjacent public water system and the local agency formation commission, the applicant shall submit those documents and the preliminary technical report to the state board and together those documents and the preliminary technical report shall be considered the functional equivalent of the preliminary technical report requirements of this section. A preliminary technical report submitted pursuant to this paragraph shall only be required to include information that is not otherwise addressed by the other submitted documents.

(e) Upon review of a preliminary technical report submitted pursuant to this section, the state board may do all of the following actions:

(1) If an existing public water system has not already sought annexation of the service area of a proposed new public water system from the local agency formation commission or the applicant has not already sought an extension of services agreement from an existing public water system, direct the applicant to undertake additional discussion and negotiation with the local agency formation commission and any existing public water system meeting the requirements of paragraph (1) of subdivision (c) that the state board determines has the technical, managerial, and financial capacity to provide an adequate and reliable supply of domestic water to the service area of the proposed new public water system. The state board shall not direct the applicant to undertake additional discussion and negotiation is unlikely to be successful, including, but not limited to, documentation that the local agency formation commission has previously denied the application for an extension of service or annexation, or that the existing public water system has declined to apply to the local agency formation commission for approval of an extension of service area of the proposed new public water system are public water system has declined to apply to the local agency formation commission has previously denied the application for an extension of service or annexation, or that the existing public water system.

(2) Direct the applicant to report on the results of discussion and negotiations conducted pursuant to paragraph (1) to the state board.

(3) Establish a time schedule for the applicant's performance of directives issued pursuant to this subdivision.

(f)

(1) An applicant shall comply with the state board's directives as assigned in and consistent with subdivision (e) before submitting an application for a permit for a proposed new public water system under this chapter.

(2) An application for a permit for a proposed new public water system under this chapter shall not be deemed complete unless the applicant has complied with the requirements of this section.

(g) The state board's review of a preliminary technical report pursuant to this section shall not be deemed a project or approval of a permit application submitted under this chapter.

(h) The requirements of this section do not apply to either of the following:

(1) An application for a permit for a new public water system that was deemed complete prior to January 1, 2017, pursuant to the statutory permit application requirements effective at the date of the permit submission.

(2) An extension of, or annexation to, an existing public water system.

(i)

(1) The requirements of this section do not apply to a service area where an applicant certifies in writing to the state board that the applicant will not rely on the establishment of a new public water system for its water supply. The state board shall acknowledge receipt of the applicant's certification in a timely manner.

(2) An applicant who certifies that the service area will not rely on the establishment of a new public water system and later seeks a permit for a new public water system shall comply with the provisions of this section and shall assume all risk of delay or rejection related to the permit application.

(j)

(1) The provisions of this subdivision apply to a proposed new public water system that achieves either or both of the following:

(A) Consolidates two or more existing public water systems, existing state small water systems, or other existing water systems, which results in the creation of a new public water system.

(B) Provides water service in lieu of individual domestic wells.

(2) At least six months before the construction of any water-related improvements, an applicant for a new public water system that meets the criteria in paragraph (1) shall provide a written notice to the state board that does both of the following:

(A) Clearly describes the proposed new public water system and how it meets the criteria in paragraph (1).

(B) Requests an exemption from the requirements of this section.

(3) The state board shall promptly acknowledge receipt of a written notice described in paragraph (2). The state board shall have 30 days from the acknowledgment of receipt of the written notice to issue a written notice to the applicant that compliance with the requirements of this section is necessary and that an application for a permit of a new public water system under this chapter is not complete until the applicant has complied with the requirements of this section. A determination by the state board that compliance with the requirements of this section is necessary shall be final and is not subject to review by the state board. A determination by the state board pursuant to this subdivision is not considered a project subject to Division 13 (commencing with Section 21000) of the Public Resources Code.

(4) If the state board receives a written notice from a project applicant that satisfies the requirements of paragraph (2), the project described in the notice is deemed exempt from the requirements of this section on the 35th day following the date of the state board's acknowledgment of receipt of the written notice, unless the state board has issued a notice to comply pursuant to paragraph (3).

## <u>§116530. Technical report.</u>

A public water system shall submit a technical report to the department as part of the permit application or when otherwise required by the department. This report may include, but not be limited to, detailed plans and specifications, water quality information, and physical descriptions of the existing or proposed system, and financial assurance information.

#### §116535. Permit application review.

Upon determination that an application submitted pursuant to this chapter is complete, the department shall make a thorough investigation of the proposed or existing plant, works, system, or water supply, and all other circumstances and conditions that it deems material, including any required financial assurance information.

#### §116540. Issue, deny or conditional permits.

(a) Following completion of the investigation and satisfaction of the requirements of paragraphs (1) and (2), the state board shall issue or deny the permit. The state board may impose permit conditions, requirements for system improvements, technical, financial, or managerial requirements, and time schedules as it deems necessary to ensure a reliable and adequate supply of water at all times that is pure, wholesome, potable, and does not endanger the health of consumers.

(1) A public water system that was not in existence on January 1, 1998, shall not be granted a permit unless the public water system demonstrates to the state board that the water supplier possesses adequate financial, managerial, and technical capability to ensure the delivery of pure, wholesome, and potable drinking water. This section shall also apply to any change of ownership of a public water system.

(2) A permit under this chapter shall not be issued to an association organized under Title 3 (commencing with Section 18000) of the Corporations Code. This section shall not apply to unincorporated associations that, as of December 31, 1990, are holders of a permit issued under this chapter.

(b) Notwithstanding Section 116330, a local primacy agency shall not issue a permit under this article without the concurrence of the state board.

(c) In considering whether to approve a proposed new public water system, the state board shall consider the sustainability of the proposed new public water system and its water supply in the reasonably foreseeable future, in view of global climate change, potential migration of groundwater contamination and other potential treatment needs, and other factors that can significantly erode a system's capacity.

(d) If the state board determines that it is feasible for the service area of the public water system addressed by an application under this article to be served by one or more permitted public water systems identified pursuant to paragraph (1) of subdivision (c) of Section 116527, the state board may deny the permit of a proposed new public water system if it determines, based on its assessment of the preliminary technical report submitted pursuant to Section 116527, the permit application, and other relevant, substantial evidence submitted, that it is reasonably foreseeable that the proposed new public water system will be unable to provide affordable, safe drinking water in the reasonably foreseeable future.

(e) An applicant may petition the state board for reconsideration of a decision of action of the deputy director taken pursuant to this section.

#### §116545. Public hearings.

Prior to the issuance of any new, revised, renewed, or amended permit, or the denial of a permit, the department may conduct a public hearing to obtain additional public comment. Notice of the hearing shall be provided to the applicant and interested persons at least 30 days prior to the hearing. The department may require the applicant to distribute the notice of the hearing to affected consumers.

#### §116550. Changes requiring amended permit.

(a) No person operating a public water system shall modify, add to or change his or her source of supply or method of treatment of, or change his or her distribution system as authorized by a valid existing permit issued to him or her by the department unless the person first submits an application to the department and receives an amended permit as provided in this chapter authorizing the modification, addition, or change in his or her source of supply or method of treatment.

(b) Unless otherwise directed by the department, changes in distribution systems may be made without the submission of a permit application if the changes comply in all particulars with the waterworks standards.

#### §116551. Augmentation of source with recycled water.

The state board shall not issue a permit to a public water system or amend a valid existing permit for the use of a reservoir as a source of supply that is directly augmented with recycled water, as defined in subdivision (n) of Section 13050 of the Water Code, unless the state board does all of the following:

(a) Performs an engineering evaluation that evaluates the proposed treatment technology and finds that the proposed technology will ensure that the recycled water meets all applicable primary and secondary drinking water standards and poses no significant threat to public health.

(b) Holds at least three duly noticed public hearings in the area where the recycled water is proposed to be used or supplied for human consumption to receive public testimony on that proposed use. The state board shall make available to the public, not less than 10 days prior to the date of the first hearing held pursuant to this subdivision, the evaluations and findings made pursuant to subdivision (a).

## §116552. Public Hearing for Point-of-Use Treatment.

The State Water Resources Control Board shall not issue a permit to a public water system or amend a valid existing permit to allow the use of point-of-use or point-of-entry treatment unless the State Water Resources Control Board determines, after conducting a public hearing in the community served by the public water system, that there is no substantial community opposition to the installation of the treatment devices. The issuance of a permit pursuant to this section shall be limited to not more than three years or until funding for centralized treatment is available, whichever occurs first.

## §116555. Operational requirements.

(a) Any person who owns a public water system shall ensure that the system does all of the following:

(1) Complies with primary and secondary drinking water standards.

(2) Will not be subject to backflow under normal operating conditions.

(3) Provides a reliable and adequate supply of pure, wholesome, healthful, and potable water.

(4) Employs or utilizes only water treatment operators that have been certified by the state board at the appropriate grade.

(5) Complies with the operator certification program established pursuant to Article 3 (commencing with Section 106875) of Chapter 4 of Part 1.

(b) Any person who owns a community water system or a nontransient noncommunity water system shall do all of the following:

(1) Employ or utilize only water distribution system operators who have been certified by the state board at the appropriate grade for positions in responsible charge of the distribution system.

(2) Place the direct supervision of the water system, including water treatment plants, water distribution systems, or both under the responsible charge of an operator or operators holding a valid certification equal to or greater than the classification of the treatment plant and the distribution system.

## §116555.5. Public Water System Implementation of Cross-Connection Standards.

A public water system shall implement a cross-connection control program that complies with applicable regulations and with standards adopted by the board pursuant to Section 116407.

#### §116556. Redwood Valley County Water District exemption.

Notwithstanding subdivision (c) of Section 116555 and its implementing regulations, including Sections 64562 and 64568 of the California Code of Regulations, the Redwood Valley County Water District, in order to relieve hardship, may make not more than 135 new 3/4-inch equivalent domestic service connections to its water system if all of the following conditions are met:

(a) The district has a contract, agreement, or independent water right to divert water from Lake Mendocino or another adequate source of water supply.

(b) Redwood Valley is an allowed place of use under that contract, agreement, or water right.

(c) The department has determined that the water source provides an adequate physical supply of water under its duly adopted waterworks standards.

(d) The connection will relieve hardship, as determined by the district based on objective proof that the structure served by the connection was constructed prior to December 31, 1997, and absent a connection, only has access to a water supply that furnishes an inadequate quality or quantity of water as measured by drinking water standards adopted by the district.

(e) The connections authorized by this section are in addition to connections otherwise allowed by law, including connections authorized by Section 116555.

#### §116565. Annual Fee.

(a) Each public water system shall submit an annual fee according to a fee schedule established by the state board pursuant to subdivision (c) for the purpose of reimbursing the state board for the costs incurred by the state board for conducting activities mandated by this chapter. The amount of reimbursement shall be sufficient to pay, but in no event shall exceed, the state board's costs in conducting these activities, including a prudent reserve in the Safe Drinking Water Account.

(b) Payment of the annual fee shall be due 90 calendar days following the due date established in the schedule. Failure to pay the annual fee within 90 calendar days shall result in a 10-percent late penalty that shall be paid in addition to the fee.

(c) The state board shall adopt, by regulation, a schedule of fees, as authorized by this section. The regulations may include provisions concerning the administration and collection of the fees.

(d) The state board shall set the amount of total revenue collected each year through the fee schedule at an amount equal to the amount appropriated by the Legislature in the annual Budget Act from the Safe Drinking Water Account for expenditure for the administration of this chapter, taking into account the reserves in the Safe Drinking Water Account. The state board shall review and revise the fees each fiscal year as necessary to conform with the amounts appropriated by the Legislature. If the state board determines that the revenue collected during the preceding year was greater than, or less than, the amounts appropriated by the Legislature, the state board may further adjust the fees to compensate for the over or under collection of revenue.

(e)

(1) Except as provided in subparagraph (A) of paragraph (2), the regulations adopted pursuant to this section, any amendment thereto, or subsequent adjustments to the annual fees, shall be adopted by the state board as emergency regulations in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The adoption of these regulations is an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health, safety, and general welfare.

(2) Notwithstanding Section 116377, both of the following shall apply:

(A) The initial regulations adopted by the state board to implement this section shall be adopted in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, and may not rely on the statutory declaration of emergency in paragraph (1) or Section 116377.

(B) Any emergency regulations adopted by the state board, or adjustments to the annual fees made by the state board pursuant to this section, shall not be subject to review by the Office of Administrative Law and shall remain in effect until revised by the state board.

(f) A public water system under the jurisdiction of a local primacy agency shall pay the fees specified in this section to the local primacy agency in lieu of the state board. This section does not preclude a local health officer from imposing additional fees pursuant to Section 101325.

(g) This section shall become operative on July 1, 2016.

#### §116577. Enforcement fee.

(a) Each public water system shall reimburse the state board for actual costs incurred by the state board for any of the following enforcement activities related to that water system:

(1) Preparing, issuing, and monitoring compliance with, an order or a citation.

- (2) Preparing and issuing public notification.
- (3) Conducting a hearing pursuant to Section 116625.

(b) The state board shall submit an invoice for these enforcement costs to the public water system that requires payment before September 1 of the fiscal year following the fiscal year in which the costs were incurred. The invoice shall indicate the total hours expended, the reasons for the expenditure, and the hourly cost rate of the state board. The costs set forth in the invoice shall not exceed the total actual costs to the state board of enforcement activities specified in this section.

(c) Notwithstanding the reimbursement of enforcement costs of the local primacy agency pursuant to subdivision (a) of Section 116595 by a public water system under the jurisdiction of the local primacy agency, a public water system shall also reimburse enforcement costs, if any, incurred by the state board pursuant to this section.

(d) "Enforcement costs," as used in this section, does not include "litigation costs" pursuant to Section 116585.

(e) The state board shall not be entitled to enforcement costs pursuant to this section if a court determines that enforcement activities were in error.

(f) Payment of the invoice shall be made within 90 days of the date of the invoice. Failure to pay the invoice within 90 days shall result in a 10-percent late penalty that shall be paid in addition to the invoiced amount.

(g) The state board may, at its sole discretion, waive payment by a public water system of all or any part of the invoice or penalty.

#### §116585. Litigation fee.

In a civil court action brought to enforce this chapter, the prevailing party or parties shall be awarded litigation costs, including, but not limited to, salaries, benefits, travel expenses, operating equipment, administrative, overhead, other litigation costs, and attorney's fees, as determined by the court. Litigation costs awarded to the state board by the court shall be deposited into the Safe Drinking Water Account. Litigation costs awarded to a local primacy agency by the court shall be used by that local primacy agency to offset the local primacy agency's litigation costs.

#### §116590. Safe Drinking Water Account fees and caps. (Effective September 13, 2016)

(a) Funds received by the state board pursuant to this chapter shall be deposited into the Safe Drinking Water Account, which is hereby established, and shall be available for use by the state board, upon appropriation by the Legislature, for the purpose of providing funds necessary to administer this chapter. Funds in the Safe Drinking Water Account shall not be expended for any purpose other than as set forth in this chapter.

(b) A public water system may collect a fee from its customers to recover the fees paid by the public water system pursuant to this chapter.

(c) The total amount of funds received for state operations program costs to administer this chapter for fiscal year 2016–17 shall not exceed thirty-eight million nine hundred seven thousand dollars (\$38,907,000) and the total amount of funds received for administering this chapter for each fiscal year thereafter shall not increase by more than 5 percent of the amount received in the previous fiscal year plus any changes to salary, benefit, and retirement adjustments contained in each annual Budget Act.

(d) This section shall become operative on July 1, 2016.

#### §116595. Local primacy agency fees.

(a) A public water system under the jurisdiction of a local primacy agency shall reimburse the local primacy agency for any enforcement cost incurred by the local primacy agency related to any of the following relating to that water system:

- (1) Preparing, issuing, and monitoring compliance with, an order or a citation.
- (2) Preparing and issuing public notification.
- (3) Conducting a hearing pursuant to Section 116625.

(b) The local primacy agency shall submit an invoice to the public water system that requires payment, before September 1 of the fiscal year following the fiscal year in which the costs were incurred. The invoice shall indicate the total hours expended, the reasons for the expenditure, and the hourly cost rate of the local primacy agency. The invoice shall not exceed the total costs to the local primacy agency of enforcement activities specified in this subdivision. Notwithstanding the reimbursement to the state board of enforcement costs, if any, pursuant to Section 116577, any public water system under the jurisdiction of the local primacy agency shall also reimburse the local primacy agency for enforcement costs incurred by the local primacy agency pursuant to this section. The local primacy agency shall not be entitled to enforcement costs pursuant to this subdivision if a court determines that enforcement activities were in error. "Enforcement costs" as used in this subdivision does not include "litigation costs" as used in Section 116585.

(c) Payment of the invoice shall be made within 90 days of the date of the invoice. Failure to pay the invoice within 90 days shall result in a 10-percent late penalty that shall be paid in addition to the invoiced amount.

(d) The local primacy agency may, in its sole discretion, waive payment by a public water system of all or any part of the invoice or the penalty.

## Article 7.5. Local Drinking Water Protection Act §116610. Department due dates.

(a) This article shall be known, and may be cited, as the Local Drinking Water Protection Act.

(b) For purposes of this article, "MTBE" means methyl tertiary-butyl ether.

(c) Commencing January 1, 1998, the State Department of Health Services shall commence the process for adopting a primary drinking water standard for MTBE that complies with the criteria established under Section 116365. The State Department of Health Services shall establish a primary drinking water standard for MTBE on or before July 1, 1999. The State Department of Health Services may, at its discretion, set primary drinking water standards for other oxygenates.

(d) On or before July 1, 1998, the State Department of Health Services shall adopt a secondary drinking water standard that complies with the criteria established under subdivision (d) of Section 116275 and that does not exceed a consumer acceptance level for MTBE.

#### §116612. Advisory panel due dates

On or before January 1, 1999, the California Drinking Water and Toxic Enforcement Act Scientific Advisory Panel shall make a recommendation to the Office of Environmental Health Hazard Assessment on whether MTBE should be listed as a carcinogenic or reproductive toxin as set forth in Section 12000 and following of Title 22 of the California Code of Regulations.

#### Article 8. Violations

#### §116625. Revocation and suspension of permits.

(a) The state board, after providing notice to the permittee and opportunity for a hearing, may suspend or revoke any permit issued pursuant to this chapter if the state board determines pursuant to the hearing that the permittee is not complying with the permit, this chapter, or any regulation, standard, or order issued or adopted thereunder, or that the permittee has made a false statement or representation on any application, record, or report maintained or submitted for purposes of compliance with this chapter. If the permittee does not request a hearing within the period specified in the notice, the state board may suspend or revoke the permit without a hearing. If the permittee submits a timely request for a hearing, the hearing shall be before the state board or a member of the state board, in accordance with Section 183 of the Water Code and the rules for adjudicative proceedings adopted under Section 185 of the Water Code. If the permit at issue has been temporarily suspended pursuant to subdivision (b), the notice shall be provided within 15 days of the effective date of the temporary suspension order. The commencement of the hearing under this subdivision shall be as soon as practicable, but no later than 60 days after the effective date of the temporary suspension order, unless the state board grants an extension of the 60 day period upon request of the permittee.

(b) The state board may temporarily suspend any permit issued pursuant to this chapter before any hearing when the action is necessary to prevent an imminent or substantial danger to health. The state board shall notify the permittee of the temporary suspension and the effective date of the temporary suspension and, at the same time, notify the permittee that a hearing has been scheduled. The hearing shall be held as soon as possible, but not later than 15 days after the effective date of the temporary suspension unless the state board grants an extension of the 15 day period upon request of the permittee, and shall deal only with the issue of whether the temporary suspension shall remain in place pending a hearing under subdivision (a). The hearing shall be conducted under the rules for adjudicative proceedings adopted by the state board under Section 185 of the Water Code. The temporary suspension shall remain in effect until the hearing under this subdivision is completed and the state board has made a final determination on the temporary suspension, which shall be made within 15 days after the completion of the hearing unless the state board grants an extension of the 15 day period upon request of the permittee. If the determination is not transmitted within 15 days after the hearing is completed, or any extension of this period requested by the permittee, the temporary suspension shall be of no further effect. Dissolution of the temporary suspension does not deprive the state board of jurisdiction to proceed with a hearing on the merits under subdivision (a).

## Article 9. Remedies §116650. Citations.

(a) If the state board determines that a public water system is in violation of this chapter or any regulation, permit, standard, citation, or order issued or adopted thereunder, the state board may issue a citation to the public water system. The citation shall be served upon the public water system personally or by certified mail. Service shall be deemed effective as of the date of personal service or the date of receipt of the certified mail. If a person to whom a citation is directed refuses to accept delivery of the certified mail, the date of service shall be deemed to be the date of mailing.

(b) Each citation shall be in writing and shall describe the nature of the violation or violations, including a reference to the statutory provision, standard, order, citation, permit, or regulation alleged to have been violated.

(c) A citation may specify a date for elimination or correction of the condition constituting the violation.

(d) A citation may include the assessment of a penalty as specified in subdivision (e).

(e) The state board may assess a penalty in an amount not to exceed one thousand dollars (\$1,000) per day for each day that a violation occurred, and for each day that a violation continues to occur. A separate penalty may be assessed for each violation and shall be in addition to any liability or penalty imposed under any other law.

#### <u>§116655. Orders.</u>

(a) Whenever the state board determines that any person has violated or is violating this chapter, or any order, permit, regulation, or standard issued or adopted pursuant to this chapter, the state board may issue an order doing any of the following:

(1) Directing compliance forthwith.

(2) Directing compliance in accordance with a time schedule set by the state board.

(3) Directing that appropriate preventive action be taken in the case of a threatened violation.

(b) An order issued pursuant to this section may include, but shall not be limited to, any or all of the following requirements:

- (1) That the existing plant, works, or system be repaired, altered, or added to.
- (2) That purification or treatment works be installed.
- (3) That the source of the water supply be changed.
- (4) That no additional service connection be made to the system.
- (5) That the water supply, the plant, or the system be monitored.

(6) That a report on the condition and operation of the plant, works, system, or water supply be submitted to the state board.

#### §116660. Injunctions.

(a) Any person who operates a public water system without having an unrevoked permit to do so, may be enjoined from so doing by any court of competent jurisdiction at the suit of the department.

(b) When the department determines that any person has engaged in or is engaged in any act or practice that constitutes a violation of this chapter, or any regulation, permit, standard, or order issued or adopted thereunder, the department may bring an action in the superior court for an order enjoining the practices or for an order directing compliance.

(c) Upon a showing by the department of any violation set forth in subdivision (b), the superior court shall enjoin the practices and may do any of the following:

(1) Enforce a reasonable plan of compliance, including the appointment of a competent person, to be approved by the department, and paid by the operator of the public water system, who shall take charge of and operate the system so as to secure compliance.

(2) Enjoin further service connections to the public water system.

(3) Afford any further relief that may be required to insure compliance with this chapter.

## §116665. Receivership.

Whenever the department determines that any public water system is unable or unwilling to adequately serve its users, has been actually or effectively abandoned by its owners, or is unresponsive to the rules or orders of the department, the department may petition the superior court for the county within which the system has its principal office or place of business for the appointment of a receiver to assume possession of its property and to operate its system upon such terms and conditions as the court shall prescribe. The court may require, as a condition to the appointment of the receiver, that a sufficient bond be given by the receiver and be conditioned upon compliance with the orders of the court and the department, and the protection of all property rights involved. The court may provide, as a condition of its order, that the receiver appointed pursuant to the order shall not be held personally liable for any good faith, reasonable effort to assume possession of, and to operate, the system in compliance with the order.

## §116670. Nuisance and summary abatement.

Anything done, maintained, or suffered as a result of failure to comply with any primary drinking water standard is a public nuisance dangerous to health, and may be enjoined or summarily abated in the manner provided by law. Every public officer or body lawfully empowered to do so shall abate the nuisance immediately.

## §116675. Authorized action against public water systems.

Notwithstanding Sections 116340 and 116500, the department shall, after adequate notification of the local health officer, take action authorized by this chapter against a public water system under the jurisdiction of the local health officer if any of the following occur:

(a) The public water system has been in violation of any provision of this chapter or the regulations adopted hereunder, including any violation of compliance with drinking water standards or waterworks standards, for a period of at least 90 days within the previous year.

(b) A contaminant is present in, or likely to enter, a public water system and presents an imminent and substantial danger to the health of the users of the system.

## <u>§116680. Consolidation – Effective 6/24/15</u>

The Legislature finds and declares as follows:

(a) It is the policy of the state to encourage orderly growth and development, which are essential to the social, fiscal, and economic well-being of the state. The Legislature recognizes that the logical formation, consolidation, and operation of water systems is an important factor in promoting orderly development and in balancing that development against sometimes competing state interests of discouraging urban sprawl, preserving open space and prime agricultural lands, and efficiently extending other government services. Therefore, the policy of the state should be affected by the logical formation, consolidation, and operation of water systems.

(b) The powers set forth in Section 116682 for consolidation of water systems are consistent with the intent of promoting orderly growth.

#### §116681. Definitions

Except as provided in paragraph (2) of subdivision (j) of Section 116686, the following definitions shall apply to this section and Sections 116682, 116684, and 116686:

(a) "Adequate supply" means sufficient water to meet residents' health and safety needs.

(b) "Affected residence" means a residence within a disadvantaged community that is reliant on a water supply that is either inadequate or unsafe.

(c) "Consistently fails" means a failure to provide an adequate supply of safe drinking water.

(d) "Consolidated water system" means the public water system resulting from the consolidation of a public water system with another public water system, state small water system, or affected residences not served by a public water system.

(e) "Consolidation" means joining two or more public water systems, state small water systems, or affected residences not served by a public water system, into a single public water system.

(f) "Disadvantaged community" means a disadvantaged community, as defined in Section 79505.5 of the Water Code, that is in an unincorporated area, is in a mobilehome park, or is served by a mutual water company or a small public water system.

(g) "Extension of service" means the provision of service through any physical or operational infrastructure arrangement other than consolidation.

(h) "Receiving water system" means the public water system that provides service to a subsumed water system through consolidation or extension of service.

(i) "Safe drinking water" means water that meets all primary and secondary drinking water standards.

(j) "Small public water system" has the same meaning as provided in subdivision (b) of Section 116395.

(k) "Subsumed water system" means the public water system, state small water system, or affected residences not served by a public water system consolidated into or receiving service from the receiving water system.

#### §116682. Consolidation as Order

(a) Where a public water system or a state small water system, serving a disadvantaged community, consistently fails to provide an adequate supply of safe drinking water, the state board may order consolidation with a receiving water system as provided in this section and Section 116684. The consolidation may be physical or operational. The state board may also order the extension of service to an area within a disadvantaged community that does not have access to an adequate supply of safe drinking water so long as the extension of service is an interim extension of service in preparation for consolidation. The state board may set timelines and performance measures to facilitate completion of consolidation.

(b) Before ordering consolidation or extension of service as provided in this section, the state board shall do all of the following:

(1) Encourage voluntary consolidation or extension of service.

(2) Consider other enforcement remedies specified in this article.

(3) Consult with, and fully consider input from, the relevant local agency formation commission regarding the provision of water service in the affected area, the recommendations for improving service in a municipal service review, and any other relevant information.

(4) Consult with, and fully consider input from, the Public Utilities Commission when the consolidation would involve a water corporation subject to the commission's jurisdiction.

(5) Consult with, and fully consider input from, the local government with land use planning authority over the affected area, particularly regarding any information in the general plan required by Section 65302.10 of the Government Code.

(6) Consult with, and fully consider input from, all public water systems in the chain of distribution of the potentially receiving water systems.

(7)

(A) Notify the potentially receiving water system and the potentially subsumed water system, if any, and establish a reasonable deadline of no less than six months, unless a shorter period is justified, for the potentially receiving water system and the potentially subsumed water system, if any, to negotiate consolidation or another means of providing an adequate supply of safe drinking water.

(B) During this period, the state board shall provide technical assistance and work with the potentially receiving water system and the potentially subsumed water system to develop a financing package that benefits both the receiving water system and the subsumed water system.

(C) Upon a showing of good cause, the deadline may be extended by the state board at the request of the potentially receiving water system, potentially subsumed water system, or the local agency formation commission with jurisdiction over the potentially subsumed water system.

(8) Obtain written consent from any domestic well owner for consolidation or extension of service. Any domestic well owner within the consolidation or extended service area who does not provide written consent shall be ineligible, until the consent is provided, for any future waterrelated grant funding from the state other than funding to mitigate a well failure, disaster, or other emergency.

(9)

(A) Hold at least one public meeting at the initiation of this process in a place as close as feasible to the affected areas. The state board shall make reasonable efforts to provide a 30day notice of the meeting to the ratepayers, renters, and property owners to receive water service through service extension or in the area of the subsumed water system and all affected local government agencies and drinking water service providers. The meeting shall provide representatives of the potentially subsumed water system, affected ratepayers, renters, property owners, and the potentially receiving water system an opportunity to present testimony. The meeting shall provide an opportunity for public comment.

(B) An initial public meeting shall not be required for a potentially subsumed area that is served only by domestic wells.

(c) Upon expiration of the deadline set by the state board pursuant to paragraph (7) of subdivision (b), the state board shall do the following:

(1) Consult with the potentially receiving water system and the potentially subsumed water system, if any.

(2)

(A) Conduct a public hearing, in a location as close as feasible to the affected communities.

(B) The state board shall make reasonable efforts to provide a 30-day notice of the hearing to the ratepayers, renters, and property owners to receive water service through service extension or in the area of the subsumed water system and to all affected local government agencies and drinking water service providers.

(C) The hearing shall provide representatives of the potentially subsumed water system, affected ratepayers, renters, property owners, and the potentially receiving water system an opportunity to present testimony.

(D) The hearing shall provide an opportunity for public comment.

(d) Before ordering consolidation or extension of service, the state board shall find all of the following:

(1) The potentially subsumed water system has consistently failed to provide an adequate supply of safe drinking water.

(2) All reasonable efforts to negotiate consolidation or extension of service were made.

(3) Consolidation of the receiving water system and subsumed water system or extension of service is appropriate and technically and economically feasible.

(4) There is no pending local agency formation commission process that is likely to resolve the problem in a reasonable amount of time.

(5) Concerns regarding water rights and water contracts of the subsumed and receiving water systems have been adequately addressed.

(6) Consolidation or extension of service is the most effective and cost-effective means to provide an adequate supply of safe drinking water.

(7) The capacity of the proposed interconnection needed to accomplish the consolidation is limited to serving the current customers of the subsumed water system.

(e) Upon ordering consolidation or extension of service, the state board shall do all of the following:

(1) As necessary and appropriate, make funds available, upon appropriation by the Legislature, to the receiving water system for the costs of completing the consolidation or extension of service, including, but not limited to, replacing any capacity lost as a result of the consolidation or extension of service, providing additional capacity needed as a result of the consolidation or extension of service, and legal fees. Funding pursuant to this paragraph is available for the general purpose of providing financial assistance for the infrastructure needed for the consolidation or extension of service and does not need to be specific to each individual consolidation project. The state board shall provide appropriate financial assistance for the infrastructure needed for the consolidation or extension of service shall be the basis for the financial assistance.

(2) Ensure payment of standard local agency formation commission fees caused by state board-ordered consolidation or extension of service.

(3) Adequately compensate the owners of a privately owned subsumed water system for the fair market value of the system, as determined by the Public Utilities Commission or the state board.

(4) Coordinate with the appropriate local agency formation commission and other relevant local agencies to facilitate the change of organization or reorganization.

(f)

(1) For the purposes of this section, the consolidated water system shall not increase charges on existing customers of the receiving water system solely as a consequence of the consolidation or extension of service unless the customers receive a corresponding benefit.

(2) For purposes of this section, fees or charges imposed on a customer of a subsumed water system shall not exceed the cost of consolidating the water system with a receiving system or the extension of service to the area.

(g) Division 3 (commencing with Section 56000) of Title 5 of the Government Code shall not apply to an action taken by the state board pursuant to this section.

#### §116684. Consolidation Liability Exemptions

(a) Liability of a consolidated water system, wholesaler, or any other agency in the chain of distribution that delivers water to a consolidated water system shall be limited as described in this section.

(b)

(1) The consolidated water system, wholesaler, or any other agency in the chain of distribution that delivers water to a consolidated water system, shall not be held liable for claims by past or existing customers or those who consumed water provided through the subsumed water system concerning the operation and supply of water from the subsumed water system during the interim operation period specified in subdivision (d) for any good faith, reasonable effort using ordinary care to assume possession of, to operate, or to supply water to the subsumed water system.

(2) The consolidated water system, wholesaler, or any other agency in the chain of distribution that delivers water to a consolidated water system, shall not be held liable for claims by past or existing customers or by those who consumed water provided through the subsumed water system for any injury that occurred prior to the commencement of the interim operation period specified in subdivision (d).

(c)

(1) The consolidated water system, wholesaler, or any other agency in the chain of distribution that delivers water to a consolidated water system, shall not be held liable for claims by past or existing customers or by those who consumed water provided through the subsumed water system concerning the provision of supplemental imported water supplies to the subsumed water system during the interim operation period specified in subdivision (d) for any good faith, reasonable effort using ordinary care to supply water to the subsumed water system.

(2) The consolidated water system, wholesaler, or any other agency in the chain of distribution that delivers water to a consolidated water system, shall not be held liable for claims by past or existing customers or by those who consumed water provided through the subsumed water system concerning the operation and supply of water from the subsumed water system for any injury that occurred prior to the commencement of the interim operation period specified in subdivision (d).

(3) This subdivision shall only apply if the water supplied by the consolidated water system through a temporary potable service pipeline to the subsumed water system meets or exceeds federal and state drinking water quality standards.

(d)

(1) The interim operation period shall commence upon the connection of a temporary potable service pipeline by the consolidated water system to the subsumed water system, or upon the execution of an agreement between the consolidated water system, subsumed water system, and any other signatories to provide service to the customers of the subsumed water system, whichever occurs first.

(2)

(A) Except as provided in subparagraph (B), the interim operation period shall last until permanent replacement facilities are accepted by the consolidated water system with the concurrence of the State Water Resources Control Board and the facilities and water supply meet drinking water and water quality standards.

(B) Upon the showing of good cause, the interim operation period shall be extended by the State Water Resources Control Board for up to three successive one-year periods at the request of the consolidated water system.

(3) The acceptance date of permanent replacement facilities shall be publicly noticed by the consolidated water system.

(e) Subdivision (b) shall only apply if the consolidated water system provides water to the subsumed water system in accordance with all of the following conditions:

(1) Water provided by the consolidated water system through a temporary potable service pipeline to the subsumed water system shall meet or exceed federal and state drinking water quality standards.

(2) Reasonable water system flow and pressure through a temporary potable service pipeline shall be maintained during the interim operation period based upon the condition and integrity of the existing subsumed water system, and any disruptions to water delivery resulting from construction-related activities associated with the installation of permanent replacement facilities shall be minimal.

(3) The consolidated water system shall notify fire officials serving the subsumed water system service area of the condition and firefighting support capabilities of the subsumed water system and planned improvements with the installation of permanent replacement facilities thereto. The consolidated water system shall maintain or improve the condition and firefighting support capabilities of the subsumed water system during the interim operation period.

(4) Customers of the subsumed water system shall receive written notice upon any change in possession, control, or operation of the water system.

(f) Nothing in this section shall be construed to do any of the following:

(1) Relieve any water district, water wholesaler, or any other entity from complying with any provision of federal or state law pertaining to drinking water quality.

(2) Impair any cause of action by the Attorney General, a district attorney, a city attorney, or any other public prosecutor, or impair any other action or proceeding brought by or on behalf of a regulatory agency.

(3) Impair any claim alleging the taking of property without compensation within the meaning of either the Fifth Amendment to the United States Constitution or Section 19 of Article I of the California Constitution.

## §116686. State Board Actions Related to Disadvantage Communities

(a)

(1) To provide affordable, safe drinking water to disadvantaged communities and to prevent fraud, waste, and abuse, the state board may do both of the following, if sufficient funding is available and if the state board finds that consolidation with another system or extension of service from another system is either not appropriate or not technically and economically feasible:

(A)

(i) Contract with an administrator to provide administrative and managerial services to a designated public water system to assist the designated public water system with the provision of an adequate and affordable supply of safe drinking water.

(ii) To fulfill the requirements of this section, the state board may contract with more than one administrator, but only one administrator may be assigned to provide services to a given designated public water system.

(iii) An administrator may provide administrative and managerial services to more than one designated public water system.

(B) Order the designated public water system to accept administrative and managerial services, including full management and control, from an administrator selected by the state board.

(2) In performing its duties pursuant to paragraph (1), the state board may use criteria from the policy handbook adopted pursuant to Section 116760.43.

(b) Before the state board determines that a public water system is a designated public water system, the state board shall do both of the following:

(1) Provide the public water system with notice and an opportunity to show either of the following:

(A) That the public water system has not consistently failed to provide an adequate and affordable supply of safe drinking water.

(B) That the public water system has taken steps to timely address its failure to provide an adequate and affordable supply of safe drinking water.

(2)

(A) Conduct a public meeting in a location as close as feasible to the affected community.

(B) The state board shall make reasonable efforts to provide a 30-day notice of the meeting to affected ratepayers, renters, and property owners.

(C) Representatives of the public water system, affected ratepayers, renters, and property owners shall be provided an opportunity to present testimony at the meeting.

(D) The meeting shall provide an opportunity for public comment.

(c) The state board shall make financial assistance available to an administrator for a designated public water system, as appropriate and to the extent that funding is available.

(d) An administrator may do any of the following:

(1) Expend available moneys for capital infrastructure improvements that the designated public water system needs to provide an adequate and affordable supply of safe drinking water.

(2) Set and collect user water rates and fees, subject to approval by the state board. The provisions of this section are subject to all applicable constitutional requirements, including Article XIII D of the California Constitution.

(3) Expend available moneys for operation and maintenance costs of the designated public water system.

(e) The state board shall work with the administrator of a designated public water system and the communities served by that designated public water system to develop, within the shortest feasible timeframe, adequate technical, managerial, and financial capacity to deliver safe drinking water so that the services of the administrator are no longer necessary.

(f) A designated public water system shall not be responsible for any costs associated with an administrator.

(g) Administrative and managerial contracts pursuant to this section shall be exempt from Chapter 2 (commencing with Section 10290) of Part 2 of Division 2 of the Public Contract Code and may be awarded on a noncompetitive bid basis as necessary to implement the purposes of this section.

(h) For purposes of this section, a local government, as defined in Article XIII C of the California Constitution, that sets water rates in accordance with Article XIII D of the California Constitution shall be deemed to be providing affordable water.

(i) This section does not apply to a charter city, charter county, or charter city and county.

(j) For purposes of this section, the following terms have the following meanings:

(1) "Administrator" means a person whom the state board has determined is competent to perform the administrative and managerial services of a public water system, as described in subdivision (d). In determining competency, the state board may consider demonstrated experience in managing and operating a public water system.

(2) "Designated public water system" means a public water system that serves a disadvantaged community, as defined in Section 79505.5 of the Water Code, and that the state board finds consistently fails to provide an adequate and affordable supply of safe drinking water.

<u>§11668</u>	7. Sativa-Los Angeles County Water District (effective September 28, 2018)
(a) l	For purposes of this section, the following terms have the following meanings:
	(1) "District" means the Sativa-Los Angeles County Water District.
	(2) "Commission" means the Local Agency Formation Commission for the County of Los
<b>Angeles</b>	

(b) To provide affordable, safe drinking water to disadvantaged communities, the state board shall order the district to accept administrative and managerial services, including full management and control, from an administrator selected by the state board, as prescribed in Section 116686, except that the state board is not required to conduct a public meeting as described in paragraph (2) of subdivision (b) of Section 116686.

(c)

(1) Upon the appointment of an administrator, all of the following shall apply:

(A) Notwithstanding Article 1 (commencing with Section 30500) of Chapter 1 of Part 3 of Division 12 of the Water Code, the district's board of directors shall surrender all control to the appointed administrator and shall thereafter cease to exist.

(B) The members of the board of directors of the district shall have no standing to represent the district's ratepayers, and a member of the board of directors shall have no claim for benefits other than those he or she actually received while a member of the board of directors.

(C) Any action by the board of directors to divest the district of its assets shall be deemed tampering with a public water system pursuant to Section 116750 and shall be subject to the criminal penalties provided for in that section.

(2) Within 90 days of the appointment of an administrator, the Controller shall perform a desk audit or financial review of the district. The stateboard shall exercise its legal authority to facilitate the desk audit or financial review, including, but not limited to, its authority to take possession of the district's financial records.

(3) Any decision by the commission about the dissolution or consolidation of the district shall not be subject to the provisions of Section 57113 of the Government Code, nor to any other requirement for a protest proceeding or election. The commission shall not impose any condition on the successor agency that requires a protest proceeding or an election, as described in Part 4 (commencing with Section 57000) and Part 5 (commencing with Section 57300) of Division 3 of Title 5 of the Government Code, respectively.

(4) If the commission approves a dissolution of the district initiated by the commission, a successor agency designated in the dissolution by the commission, in consultation with the commission, may solicit proposals, evaluate submittals, and select any public water system to be the receiving water system and subsume all assets, liabilities, adjudicated water rights, responsibilities, and service obligations to provide retail water service to existing and future ratepayers within the former territory of the district. The successor agency shall represent the interests of the public and the ratepayers in the former territory of the district.

(d) The state board may provide additional funding to the administrator or the Water Replenishment District of Southern California or the successor agency designated by the commission for urgent infrastructure repairs to the public water system of the district without regard to the future ownership of any facilities affected by this funding. For purposes of this section, "urgent infrastructure repairs" are those that are immediately necessary to protect the public health, safety, andwelfare of those served by the district.

(e) If the district is consolidated with a receiving water system as prescribed in Sections 116682 and 116684, the subsumed territory of the district may include both unincorporated territory of the County of Los Angeles and incorporated territory of the City of Compton.

(f)

(1) Any administrator appointed pursuant to subdivision (b), any successor agency to the district designated by the commission to take over the district, any receiving operator of a public water system that provides service to the territory of the district, any water corporation that acquires the district, and the commission shall not be held liable for claims by past or existing district ratepayers or those who consumed water provided through the district concerning the operation and supply of water from the district during the interim operation period specified in subdivision (g) for any good faith, reasonable effort using ordinary care to assume possession of, to operate, or to supply water to, theratepayers within the territory of the district.

(2) Any administrator appointed pursuant to subdivision (b), any successor agency to the district designated by the commission to takeover the district, any receiving operator of a public water system that provides service to the territory of the district, any water corporation that acquires the district, and the commission shall not be held liable for claims by past or existing district ratepayers or those who consumed water provided through the district for any injury that occurred prior to the commencement of the interim operation period specified in subdivision (g).

<mark>(g)</mark>

(1) Notwithstanding subdivision (d) of Section 116684, for any successor agency to the district designated by the commission to take over the district, any receiving operator of a public water system that provides service to the territory of the district, or any water corporation that acquires the district, the interim operation period shall commence upon the execution of an agreement or designation by the commission to provide water services to the district and shall end one year later. Upon the showing of good cause, the interim operation period shall be extended by the commission for up to three successive one-year periods at the request of an entity described in this paragraph.

(2) For the administrator appointed pursuant to subdivision (b), the interim operation period shall commence upon being appointed by the state board and shall end when a successor agency has been designated by the commission to provide water service toratepayers of the district, a receiving water agency is consolidated with or extends service to ratepayers of the district, a water corporation acquires the district with the approval of the Public Utilities Commission, or when the administrator's obligation to provide interim administrative and managerial services has otherwise ended.

# Article 10. Judicial Review §116700. Writ of mandate.

(a) Within 30 days after service of a copy of a decision or order issued by the state board, an aggrieved party may file with the superior court a petition for a writ of mandate for review of the decision or order.

(b) In every case, the court shall exercise its independent judgment on the evidence.

(c) Except as otherwise provided in this section, subdivisions (e) and (f) of Section 1094.5 of the Code of Civil Procedure shall govern proceedings pursuant to this section.

(d) If no aggrieved party petitions for a writ of mandate within the time provided by this section, the decision or order of the state board is not subject to review by any court.

### §116701. Petitions to Orders and Decisions.

(a)

(1) Within 30 days of issuance of an order or decision under authority delegated to an officer or employee of the state board under Article 8 (commencing with Section 116625) or Article 9 (commencing with Section 116650), an aggrieved person may petition the state board for reconsideration.

(2) Within 30 days of issuance of an order or decision under authority delegated to an officer or employee of the state board under Section 116540, the applicant may petition the state board for reconsideration.

(3) Within 30 days of final action by an officer or employee of the state board acting under delegated authority, the owner of a laboratory that was the subject of the final action may petition the state board for reconsideration of any of the following actions:

(A) Denial of an application for certification or accreditation under Section 100855.

(B) Issuance of an order directing compliance under Section 100875.

- (C) Issuance of a citation under Section 100880.
- (D) Assessment of a penalty under subdivision (e) of Section 100880.

(b) The petition shall include the name and address of the petitioner, a copy of the order or decision for which the petitioner seeks reconsideration, identification of the reason the petitioner alleges the issuance of the order or decision was inappropriate or improper, the specific action the petitioner requests, and other information as the state board may prescribe. The petition shall be accompanied by a statement of points and authorities of the legal issues raised by the petition.

(c) The evidence before the state board shall consist of the record before the officer or employee who issued the order or decision and any other relevant evidence that, in the judgment of the state board, should be considered to implement the policies of this chapter. The state board may, in its discretion, hold a hearing for receipt of additional evidence.

(d) The state board may refuse to reconsider the order or decision if the petition fails to raise substantial issues that are appropriate for review, may deny the petition upon a determination that the issuance of the order or decision was appropriate and proper, may set aside or modify the order or decision, or take other appropriate action. The state board's action pursuant to this subdivision shall constitute the state board's completion of its reconsideration.

(e) The state board, upon notice and hearing, if a hearing is held, may stay in whole or in part the effect of the order or decision subject to the petition for reconsideration.

(f) If an order or decision is subject to reconsideration under this section, the filing of a petition for reconsideration is an administrative remedy that must be exhausted before filing a petition for writ of mandate under Section 100920.5 or 116700.

# Article 11. Crimes and Penalties <u>§116725. Civil penalties.</u>

(a) Any person who knowingly makes any false statement or representation in any application, record, report, or other document submitted, maintained, or used for purposes of compliance with this chapter, may be liable, as determined by the court, for a civil penalty not to exceed five thousand dollars (\$5,000) for each separate violation or, for continuing violations, for each day that violation continues.

(b) Any person who violates a citation schedule of compliance for a primary drinking water standard or any order regarding a primary drinking water standard or the requirement that a reliable and adequate supply of pure, wholesome, healthful, and potable water be provided may be liable, as determined by the court, for a civil penalty not to exceed twenty-five thousand dollars (\$25,000) for each separate violation or, for continuing violations, for each day that violation continues.

(c) Any person who violates any order, other than one specified in subdivision (b), issued pursuant to this chapter may be liable, as determined by the court, for a civil penalty not to exceed five thousand dollars (\$5,000) for each separate violation or, for continuing violations, for each day that violation continues.

(d) Any person who operates a public water system without a permit issued by the department pursuant to this chapter may be liable, as determined by the court, for a civil penalty not to exceed twenty-five thousand dollars (\$25,000) for each separate violation or, for continuing violations, for each day that violation continues.

(e) Each civil penalty imposed for any separate violation pursuant to this section shall be separate and in addition to any other civil penalty imposed pursuant to this section or any other provision of law.

### §116730. Misdemeanors and felonies.

(a) Any person who knowingly does any of the following acts may, upon conviction, be punished by a fine of not more than twenty-five thousand dollars (\$25,000) for each day of violation, by imprisonment in a county jail not to exceed one year, or by both that fine and imprisonment:

(1) Makes any false statement or representation in any application, record, report, or other document submitted, maintained, or used for the purposes of compliance with this chapter.

(2) Has in his or her possession any record required to be maintained pursuant to this chapter that has been altered or concealed.

(3) Destroys, alters, or conceals any record required to be maintained pursuant to this chapter.

(4) Withholds information regarding an imminent and substantial danger to the public health or safety when the information has been requested by the department in writing and is required to carry out the department's responsibilities pursuant to this chapter in response to an imminent and substantial danger.

(5) Violates an order issued by the department pursuant to this chapter that has a substantial probability of presenting an imminent danger to the health of persons.

(6) Operates a public water system without a permit issued by the department pursuant to this chapter.

(b) A second or subsequent violation of subdivision (a) is punishable by imprisonment pursuant to subdivision (h) of Section 1170 of the Penal Code for 16, 20, or 24 months or imprisonment in a county jail for not more than one year, by a fine of not less than two thousand dollars (\$2,000) or more than fifty thousand dollars (\$50,000) per day of violation, or by both that imprisonment and fine.

## §116735. Inspection authority.

(a)

(1) In order to carry out the purposes of this chapter, a duly authorized representative of the state board may, at a reasonable hour of the day, do any of the following:

(A) Enter and inspect a public water system or a place where the public water system records are stored, kept, or maintained.

(B) Inspect and copy records, reports, test results, or other information required to carry out this chapter.

(C) Set up and maintain monitoring equipment for purposes of assessing compliance with this chapter.

(D) Obtain samples of the water supply.

(E) Photograph a portion of the system, activity, or a sample taken.

(2) An owner of a public water system shall provide to the state board reports, test results, and other information required to carry out this chapter within 15 business days of receiving a request for those records from a duly authorized representative of the state board.

(b) The state board shall inspect each public water system as follows:

(1) A system with any surface water source with treatment shall be inspected annually.

(2) A system with any groundwater source subject to treatment with only groundwater sources shall be inspected biennially.

(3) A system with only groundwater sources not subject to treatment shall be inspected every three years.

(c) Nothing in this section shall prohibit the state board from inspecting public water systems on a more frequent basis. An opportunity shall be provided for a representative of the public water system to accompany the representative of the state board during the inspection of the water system.

(d) It shall be a misdemeanor for a person to prevent, interfere with, or attempt to impede in any way a duly authorized representative of the state board from undertaking the activities authorized by paragraph (1) of subdivision (a). A person who violates paragraph (2) of subdivision (a) shall be subject to the provisions of Section 116730, as applicable.

### §116740. Civil penalty collection.

If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order, the Attorney General or the district attorney shall recover the amount for which the person is liable in the superior court. In this action, the validity and appropriateness of the final order imposing the civil penalty shall not be subject to review.

### §116745. Remedies are cumulative.

The remedies provided by this chapter are cumulative and shall not be construed as restricting any remedy, provisional or otherwise, provided by law for the benefit of any party, and no judgment under this chapter shall preclude any party from obtaining additional relief based upon the same facts.

## §116750. Tampering with public water systems.

(a) Any person who tampers with a public water system is guilty of a felony and shall be punished by imprisonment pursuant to subdivision (h) of Section 1170 of the Penal Code for three, four, or five years, subject to a fine not to exceed thirty thousand dollars (\$30,000), or both.

(b) Any person who tampers with or makes a threat to tamper with a public water system is guilty of a felony and shall be punished by imprisonment pursuant to subdivision (h) of Section 1170 of the Penal Code for 16 months, two, or three years, subject to a fine not to exceed twenty thousand dollars (\$20,000), or both.

(c) For purposes of this section, the term "tamper" means either of the following:

(1) To introduce a contaminant into a public water system with the intention of harming persons.

(2) To otherwise interfere with the operation of a public water system with the intention of harming persons.

### §116751. Department determination of Fish and Game poisoning.

The Department of Fish and Wildlife shall not introduce a poison to a drinking water supply for purposes of fisheries management unless the state board determines that the activity will not have a permanent adverse impact on the quality of the drinking water supply or wells connected to the drinking water supply. In making this determination, the state board shall evaluate the short- and long-term health effects of the poison in drinking water, ensure that an alternative supply of drinking water is provided to the users of the drinking water supply while the activity takes place, and, in cooperation with the Department of Fish and Wildlife, develop and implement a monitoring program to ensure that no detectable residuals of the poison, breakdown products, and other components of the poison formulation remain in the drinking water supply or adjoining wells after the activity is completed.

### Article 12. Board Member Training §116755. Mutual Water Companies

(a) Each board member of a mutual water company that operates a public water system, as defined in Section 116275, shall, within six months of taking office, or by December 31, 2012, if that member was serving on the board on December 31, 2011, complete a two-hour course offered by a qualified trainer regarding the duties of board members of mutual water companies, including, but not limited to, the duty of a corporate director to avoid contractual conflicts of interest and fiduciary duties, the duties of public water systems to provide clean drinking water that complies with the federal Safe Drinking Water Act (42 U.S.C. Sec. 300f et seq.) and this chapter, and long-term management of a public water system. A board member of a mutual water company that operates a public water system shall repeat this training every six years. For the purposes of this subdivision, a trainer may be qualified in any of the following ways:

(1) Membership in the California State Bar.

(2) Accreditation by the International Association of Continuing Education and Training (IACET) ANSI/IACET 1-2007.

(3) Sponsorship by either the Rural Community Assistance Corporation or the California Rural Water Association.

(b) A mutual water company formed pursuant to Part 7 (commencing with Section 14300) of Division 3 of Title 1 of the Corporations Code, that operates a public water system, shall be liable for the payment of any fines, penalties, costs, expenses, and other amounts that may be imposed upon the mutual water company pursuant to this chapter. The mutual water company may levy an assessment, pursuant to Section 14303 of the Corporations Code, to pay these fines, penalties, costs, expenses, and other amounts so imposed. If the amount of outstanding fines, penalties, costs, expenses and other amounts imposed pursuant to this chapter exceed 5 percent of the annual budget of the mutual water company, then the mutual water company shall levy an assessment, pursuant to Section 14303 of the Corporations Code, to pay those fines, penalties, costs, expenses, and other amounts imposed pursuant to this chapter exceed 5 percent of the annual budget of the mutual water company, then the mutual water company shall levy an assessment, pursuant to Section 14303 of the Corporations Code, to pay those fines, penalties, costs, expenses, and other amounts so imposed.

# CHAPTER 4.5. SAFE DRINKING WATER STATE REVOLVING FUND LAW OF 1997 Article 1. Short Title

### §116760.10. Declaration.

This chapter shall be known and may be cited as the Safe Drinking Water State Revolving Fund Law of 1997.

# Article 2. Legislative Findings of Necessity and Cause for Action <u>§116760.10. Declaration.</u>

(a) Because the federal Safe Drinking Water Act (42 U.S.C. Sec. 300j et seq.) provides for establishment of a perpetual drinking water revolving fund, which will be partially capitalized by federal contributions, it is in the interest of the people of the state, in order to ensure full participation by the state under the federal Safe Drinking Water Act, to enact this chapter to authorize the state to establish and implement a state drinking water revolving fund that will meet federal conditions for receipt of federal funds. The primary purpose of this chapter is to enable receipt of funds under the federal Safe Drinking Water Act. It is the intent of the Legislature that the terms of this chapter shall be liberally construed to achieve this purpose.

(b) Toxic contaminants and new pathogenic organisms, including cryptosporidium, have been discovered in many of California's public drinking water systems.

(c) Many of the contaminants in California's drinking water supplies are known to cause, or are suspected of causing, cancer, birth defects, and other serious illnesses.

(d) It is unlikely that the contamination problems of small public water systems can be solved without financial assistance from the state.

(e) The protection of the health, safety, and welfare of the people of California requires that the water supplied for domestic purposes be at all times pure, wholesome, and potable. It is in the interest of the people that the State of California provide technical and financial assistance to ensure a safe, dependable, and potable supply of water for domestic purposes and that water is available in adequate quantity at sufficient pressure for health, cleanliness, and other domestic purposes.

(f) It is the intent of the Legislature to provide for the upgrading of existing public water supply systems to ensure that all domestic water supplies meet safe drinking water standards and other requirements established under Chapter 4 (commencing with Section 116270).

(g) The extent of the current risk to public health from contamination in drinking water creates a compelling need to upgrade existing public water systems. The demand for financial assistance to enable public water systems to meet drinking water standards and regulations exceeds funds available from the Safe Drinking Water State Revolving Fund.

(h) The Legislature further finds and declares that regional solutions to water contamination problems are often more effective, efficient, and economical than solutions designed to address solely the problems of a single small public water system, and it is in the interest of the people of the State of California to encourage the consolidation of the management and the facilities of small water systems to enable those systems to better address their water contamination problems.

(i) The protection of drinking water sources is essential to ensuring that the people of California are provided with pure, wholesome, and potable drinking water.

(j) That coordination among local, state, and federal public health and environmental management programs be undertaken to ensure that sources of drinking water are protected while avoiding duplication of effort and reducing program costs.

(k) It is necessary that a source water protection program be implemented for the purposes of delineating, assessing, and protecting drinking water sources throughout the state and that federal funds be utilized pursuant to the federal Safe Drinking Water Act to carry out that program.

(l) It is in the interest of the people of the state to provide funds for a perpetual Safe Drinking Water State Revolving Fund that may be combined with similar federal funding to the extent the funding is authorized pursuant to the federal Safe Drinking Water Act.

(m) This chapter shall govern implementation of the Safe Drinking Water State Revolving Fund, and shall be implemented in a manner that is consistent with the federal Safe Drinking Water Act, and, to the extent authorized under the federal act, in a manner that is consistent with the California Safe Drinking Water Act, Chapter 4 (commencing with Section 116270).

(n) This section shall become operative on July 1, 2014.

# Article 3. Safe Drinking Water State Revolving Fund <u>§116760.20. Definitions.</u>

Unless the context otherwise requires, the following definitions govern the construction of this chapter:

(a) "Acceptable result" means the project that, when constructed, solves the problem for which the project was placed on the project priority list, ensures the owner and operator of the improved or restructured public water system shall have long-term technical, managerial, and financial capacity to operate and maintain the public water system in compliance with state and federal safe drinking water standards, can provide a dependable source of safe drinking water long-term, and is both short-term and long-term affordable, as determined by the board.

(b) "Administrative fund" means the Safe Drinking Water State Revolving Fund Administration Fund created by Section 116761.70.

(c) "Board" means the State Water Resources Control Board.

(d) "Cost-effective" means achieves an acceptable result at the most reasonable cost.

(e) "Disadvantaged community" means a community that meets the definition provided in Section 116275.

(f) "Federal Safe Drinking Water Act" or "federal act" means the federal Safe Drinking Water Act (42 U.S.C. Sec. 300f et seq.) and acts amendatory thereof or supplemental thereto.

(g) "Fund" means the Safe Drinking Water State Revolving Fund created by Section 116760.30.

(h) "Financing" means financial assistance awarded under this chapter, including loans, refinancing, installment sales agreements, purchase of debt, loan guarantees for municipal revolving funds, and grants.

(i) "Matching funds" means state money that equals that percentage of federal contributions required by the federal act to be matched with state funds.

(j) "Project" means cost-effective facilities for the construction, improvement, or rehabilitation of a public water system. It also may include the planning and design of the facilities, annexation or consolidation of water systems, source water assessments, source water protection, and other activities specified under the federal act.

(k) "Public agency" means any city, county, city and county, whether general law or chartered, district, joint powers authority, or other political subdivision of the state, that owns or operates a public water system, or any municipality, as that term is defined in the federal act.

(l) "Public water system" or "public water supply system" means a system for the provision to the public of water for human consumption, as defined in Section 116275.

(m) "Safe drinking water standards" means those standards established pursuant to Chapter 4 (commencing with Section 116270), as they may now or hereafter be amended.

(n) "Severely disadvantaged community" means a community with a median household income of less than 60 percent of the statewide average.

(o) "Small community water system" has the meaning set forth in Section 116275.

(p) "Supplier" means any person, partnership, corporation, association, public agency, or other entity that owns or operates a public water system.

### §116760.30. Creation of fund in state treasury.

(a) There is hereby created in the State Treasury the Safe Drinking Water State Revolving Fund for the purpose of implementing this chapter, and, notwithstanding Section 13340 of the Government Code, moneys in the fund are hereby continuously appropriated, without regard to fiscal years, to the board for expenditure in accordance with this chapter.

(b) Notwithstanding Section 10231.5 of the Government Code, the board shall, at least once every two years, post information on its Internet Web site and send a link of the Internet Web site to the policy and budget committees of the Legislature regarding the implementation of this chapter and expenditures from the fund. The information posted on the board's Internet Web site shall describe the numbers and types of projects funded, the reduction in risks to public health from contaminants in drinking water provided through the funding of the projects, and the criteria used by the board to determine funding priorities. The Internet Web site posting shall include the results of the United States Environmental Protection Agency's most recent survey of the infrastructure needs of California's public water systems, the amount of money available through the fund to finance those needs, the total dollar amount of all funding agreements executed pursuant to this chapter since the date of the previous report or Internet Web site post, the fund utilization rate, the amount of unliquidated obligations, and the total dollar amount paid to funding recipients since the previous report or Internet Web site post.

(c) This section shall become operative on July 1, 2014.

### §116760.38. Incurring indebtedness.

Subject to all applicable constitutional restrictions, a city, county, or special district may borrow money and incur indebtedness pursuant to this chapter.

### §116760.39. Additional small system access to financial assistance.

(a) In addition to the actions described in Section 116760.40, the board may, to implement the Safe Drinking Water State Revolving Fund, improve access to financial assistance for small community water systems and not-for-profit nontransient noncommunity water systems serving severely disadvantaged communities by doing both of the following:

(1) Working to establish a payment process pursuant to which the recipient of financial assistance would receive funds within 30 days of the date on which the board receives a complete project payment request, unless the board, within that 30-day period, determines that the project payment would not be in accordance with the terms of the program guidelines.

(2) Investigating the use of wire transfers or other appropriate payment procedures to expedite project payments.

(b) This section shall become operative on July 1, 2014.

### §116760.40. Department authorities.

(a) The board may undertake any of the following actions to implement the Safe Drinking Water State Revolving Fund:

(1) Enter into agreements with the federal government for federal contributions to the fund.

(2) Accept federal contributions to the fund.

(3) Use moneys in the fund for the purposes permitted by the federal act.

(4) Provide for the deposit of matching funds and other available and necessary moneys into the fund.

(5) Make requests, on behalf of the state, for deposit into the fund of available federal moneys under the federal act.

(6) Determine, on behalf of the state, that public water systems that receive financial assistance from the fund will meet the requirements of, and otherwise be treated as required by, the federal act.

(7) Provide for appropriate audit, accounting, and fiscal management services, plans, and reports relative to the fund.

(8) Take additional incidental action as may be appropriate for adequate administration and operation of the fund.

(9) Enter into an agreement with, and accept matching funds from, a public water system.

(10) Charge public water systems that elect to provide matching funds a fee to cover the actual cost of obtaining the federal funds pursuant to Section 1452(e) of the federal act (42 U.S.C. Sec. 300j-12) and to process the loan application. The fee shall be waived by the board if sufficient funds to cover those costs are available from other sources.

(11) Use any source of matching funds, if not prohibited by statute, as matching funds for the federal administrative allowance under Section 1452(g) of the federal act (42 U.S.C. Sec. 300j-12).

(12) Establish separate accounts or subaccounts as required or allowed in the federal act and related guidance, for funds to be used for administration of the fund and other purposes. Within the fund, the board may modify existing accounts and may establish other accounts as the board deems appropriate or necessary for proper administration of the chapter.

(13) Deposit federal funds for administration and other purposes into separate accounts or subaccounts, as allowed by the federal act.

(14) Determine, on behalf of the state, whether sufficient progress is being made toward compliance with the enforceable deadlines, goals, and requirements of the federal act and the California Safe Drinking Water Act, Chapter 4 (commencing with Section 116270).

(15) To the extent permitted under federal law, including, but not limited to, Section 1452(a)(2) and (f)(4) of the federal Safe Drinking Water Act (42 U.S.C. Sec. 300j-12(a)(2) and (f)(4)), use any and all amounts deposited in the fund, including, but not limited to, loan repayments and interest earned on the loans, as a source of reserve and security for the payment of principal and interest on revenue bonds, the proceeds of which are deposited in the fund.

(16) Request the Infrastructure and Economic Development Bank (I-Bank), established under Chapter 2 (commencing with Section 63021) of Division 1 of Title 6.7 of the Government Code, to issue revenue bonds, enter into agreements with the I-Bank, and take all other actions necessary or convenient for the issuance and sale of revenue bonds pursuant to Article 6.3 (commencing with Section 63048.55) of Chapter 2 of Division 1 of Title 6.7 of the Government Code. The purpose of the bonds is to augment the fund.

(17) Engage in the transfer of capitalization grant funds, as authorized by Section35.3530(c) of Title 40 of the Code of Federal Regulations and reauthorized by Public Law 109-54, to the extent set forth in an Intended Use Plan, that shall be subject to approval by the board.

(18) Cross-collateralize revenue bonds with the State Water Pollution Control Revolving Fund created pursuant to Section 13477 of the Water Code, as authorized by Section 35.3530(d) of Title 40 of the Code of Federal Regulations.

(b) This section shall become operative on July 1, 2014.

### §116760.41. Other expenses.

Moneys in the fund and the special accounts may be expended for additional purposes provided in the federal act.

## §116760.42. Department may accept federal funds.

(a) The board may enter into an agreement with the federal government for federal contributions to the fund only if the board is prepared to commit to expenditure of any minimum amount in the fund in the manner required by the federal act.

(b) An agreement between the board and the federal government shall contain those provisions, terms, and conditions required by the federal act, and implementing federal rules, regulations, guidelines, and policies, including, but not limited to, agreement to the following:

(1) Moneys in the fund shall be expended in an expeditious and timely manner.

(2) All moneys in the fund as a result of federal capitalization grants shall be expended to ensure sufficient progress is being made toward compliance with the enforceable deadlines, goals, and requirements of the federal act, including any applicable compliance deadlines.

(3) Federal funds deposited in the special accounts are continuously appropriated for use by the board as allowed by federal law. Unexpended funds in the special accounts shall be carried over into subsequent years for use by the board.

(4) This section shall become operative on July 1, 2014.

### §116760.43. Emergency regulation authority.

(a) The board shall implement this chapter pursuant to the adoption of a policy handbook that is not subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of the Government Code. The policy handbook shall be posted on the board's Internet Web site.

(b) Any regulations that have been promulgated pursuant to this chapter are repealed effective upon adoption by the board of the policy handbook.

(c) This section shall become operative on July 1, 2014.

## §116760.44. Administrative fees.

(a) The board may deposit administrative fees and charges paid by public water systems and other available and necessary money into an account of the fund.

(b) This section shall become operative on July 1, 2014.

## §116760.45. American Recovery and Reinvestment Act of 2009.

(a) For purposes of this section "act" means the American Recovery and Reinvestment Act of 2009.

(b) Notwithstanding any other provision of this chapter or any regulations adopted pursuant to this chapter, the department may expend moneys in the fund, received from the federal government pursuant to the American Recovery and Reinvestment Act of 2009 (Public Law 111-5), in accordance with the provisions of the act and federal guidelines implementing the act. To the extent that any law or regulation of the state is in conflict with the provisions and requirements of the act, to the extent that the conflict impairs the expenditure of federal moneys received, the provisions and requirements of the act shall prevail.

(c) The department may develop criteria necessary to implement the act. These criteria shall not be subject to the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code). The department shall publish the criteria on its Internet Web site and shall provide opportunity for public review and comment, to include at least one public hearing conducted upon not less than 20 days' notice.

(d) For the implementation of the act, the maximum amount of a grant to an applicant under this chapter is ten million dollars (\$10,000,000) per project.

### §116760.46. Small Community Emergency Grant Fund

(a) The Safe Drinking Water Small Community Emergency Grant Fund is hereby created in the State Treasury.

(b) The following moneys shall be deposited in the grant fund:

(1) Moneys transferred to the grant fund pursuant to subdivision (c).

(2) Notwithstanding Section 16475 of the Government Code, any interest earned upon the moneys deposited in the grant fund.

(c)

(1) For any financing made pursuant to this chapter, the board may assess an annual charge to be deposited in the grant fund in lieu of interest that would otherwise be charged.

(2) Any amounts collected under this subdivision shall be deposited in the grant fund.

(3) The charge authorized by this subdivision may be applied at any time during the term of the financing and, once applied, shall remain unchanged, unless the board determines that the application of the charge is any of the following:

(A) No longer consistent with federal requirements regarding the fund.

(B) No longer necessary.

(C) Negatively affecting the board's ability to fund projects that support the board's goals as specified in this chapter.

(4) If the board ceases collecting the charge before the financing repayment is complete, the board shall replace the charge with an identical interest rate.

(5) The charge authorized by this subdivision shall not increase the financing repayment amount, as set forth in the terms and conditions imposed pursuant to this chapter.

(d)

(1) Moneys in the grant fund may be expended on grants for projects that meet the requirements of this chapter and that serve disadvantaged and severely disadvantaged communities or address emergencies experienced by small community water systems.

(2) For the purpose of approving grants, the board shall give priority to projects that serve severely disadvantaged communities.

(3) Funds expended pursuant to this section shall be expended in a manner consistent with the federal EPA capitalization grant requirements established in Section 35.3530(b)(2) of Title 40 of the Code of Federal Regulations.

(e) This section shall become operative on July 1, 2014.

# Article 4. Establishment and Utilization of Priority List for Funding §116760.50. Criteria for funding.

(a) The board shall establish eligibility criteria for project financing pursuant to this chapter that shall be consistent with federal requirements.

(b) To the extent permitted by federal law, the board may provide grant funding, and principal forgiveness and 0 percent financing on loans, from the Safe Drinking Water State Revolving Fund to a project for a water system with a service area that qualifies as a severely disadvantaged community if the water system demonstrates that repaying a Safe Drinking Water State Revolving Fund loan with interest would result in unaffordable water rates.

(c) For purposes of this section, "unaffordable water rates" means an average water bill that is at least 1.5 percent of the median household income of the service area or other percentage that the board determines is appropriate to reflect funding priorities.

# Article 5. Project Eligibility, Funding, and Contracts §116761.20. Evaluating ability to repay.

(a) Planning and preliminary engineering studies, project design, and construction costs incurred by a community water system or not-for-profit noncommunity water system may be funded under this chapter.

### (b)

(1) The board shall determine what portion of the full costs the water system is capable of repaying and authorize funding in the form of a loan or other repayable financing for that amount. The board may authorize a grant or principal forgiveness to a system eligible under subdivision (a) that serves a disadvantaged community and only to the extent the board finds the water system is unable to repay the full costs of the financing.

(2) Where the otherwise eligible water system is a water corporation regulated by the Public Utilities Commission, principal forgiveness shall be limited to capital improvements made by a water system serving disadvantaged communities with fewer than 3,300 service connections, and the board shall incorporate consideration of the water system's rate of return for the three fiscal years before the timeframe in which the board is considering financial assistance.

(3) Where an otherwise eligible water system is not a water corporation described in paragraph (2) and serves a severely disadvantaged community with fewer than 200 service connections, the water system is deemed to have no ability to repay any financing for a project serving the severely disadvantaged community.

(c) At the request of the board, the Public Utilities Commission shall submit comments concerning the ability of water systems, subject to its jurisdiction, to finance the project from other sources and to repay the financing.

### §116761.40. Safe Drinking Water Act compliance not excused.

(a) The failure or inability of any public water system to receive funds under this chapter or any other financial assistance program or any delay in obtaining the funds shall not alter the obligation of the system to comply in a timely manner with all applicable drinking water standards and requirements of the California Safe Drinking Water Act or the federal act.

(b) This section shall become operative on July 1, 2014.

# Article 6. Contracts for Project Funding <u>§116761.50. Contracts.</u>

(a) The board may enter into financing agreements with applicants for the purposes set forth in this chapter.

(b) If the board provides construction financing, the financing recipient shall commit to operate and maintain, or ensure the operation and maintenance of, the water system for the term of the financing agreement or the useful life of the project, as determined by the board, unless otherwise authorized by the board.

(c) This section shall become operative on January 1 of the next calendar year occurring after the board provides notice to the Legislature and the Secretary of State and posts notice on its Internet Web site that the board has adopted a policy handbook pursuant to Section 116760.43.

# Article 7. Safe Drinking Water State Revolving Fund Management <u>§116761.62. Fund management.</u>

(a) To the extent permitted by federal and state law, moneys in the fund may be expended to rebate to the federal government all arbitrage profits required by the federal Tax Reform Act of 1986 (Public Law 99-514) or any amendment of or supplement to that law. To the extent that this expenditure of the moneys in the fund is prohibited by federal or state law, any rebates required by federal law shall be paid from the General Fund or other sources, upon appropriation by the Legislature.

(b) Notwithstanding any other law or regulation, the board may enter into contracts or may procure those services and equipment that may be necessary to ensure prompt and complete compliance with any provisions relating to the fund imposed by either the federal Tax Reform Act of 1986 (Public Law 99-514) or the federal Safe Drinking Water Act.

(c) This section shall become operative on July 1, 2014.

### <u>§116761.65. Interest rate.</u>

(a) The board shall establish, and may periodically adjust, the interest rate for repayable financing made pursuant to this chapter at a rate not to exceed 50 percent of the average interest rate, computed by the true interest cost method, paid by the state on general obligation bonds issued in the prior calendar year, rounded up to the closest one-tenth of 1 percent.

(b) Notwithstanding subdivision (a), if the financing is for a public water system that serves a disadvantaged community with a financial hardship as determined by the board or if the financing is for a public water system that provides matching funds, the interest rate shall be 0 percent.

### §116761.70. Revolving Fund Administration Fund.

(a) The Safe Drinking Water State Revolving Fund Administration Fund is hereby created in the State Treasury.

(b) The following moneys shall be deposited into the administration fund:

(1) Moneys transferred to pay the costs incurred by the state board in connection with the administration of this chapter.

(2) The amounts collected for financial assistance services pursuant to subdivision (c).

(3) Notwithstanding Section 16475 of the Government Code, any interest earned upon the moneys in the fund.

### (c)

(1) For financial assistance made pursuant to this chapter, where that financial assistance is to be repaid to the state board, the state board may assess an annual charge for financial assistance services with regard to the financial assistance, not to exceed 1 percent of the financial assistance balance, computed according to the true interest cost method.

(2) The financial assistance service rate authorized by this subdivision may be applied at any time during the term of the financial assistance, and once applied, shall remain unchanged for the duration of the financial assistance and shall not increase the financial assistance repayment amount, as set forth in the terms and conditions imposed pursuant to this chapter.

(d) Upon appropriation by the Legislature, moneys in the administration fund may be expended by the state board for payment of the reasonable costs of administering the fund.

(e) The state board shall set the total amount of revenue collected each year through the charge authorized by subdivision (c) at an amount that is equal as practicable to the appropriation amount set forth in the annual Budget Act for this activity. At least once each fiscal year, the state board shall adjust the financial assistance service charge imposed pursuant to subdivision (c) to conform with the appropriation amount set forth in the annual Budget Act.

## §116761.85. Monies repaid return to fund.

(a) Moneys repaid to the state pursuant to any contract executed pursuant to this chapter, including interest payments and all interest earned on or accruing to any moneys in the fund, shall be deposited in the fund and shall be available in perpetuity, for expenditure for the purposes and uses permitted by this chapter and the federal act.

(b) This section shall become operative on July 1, 2014.

### §116761.86. Investment of unused monies repaid.

To the extent amounts in the fund are not required for current obligation or expenditure, those amounts shall be invested in interest bearing obligations, and the interest earned shall become part of the fund.

### Article 8. Source Water Protection Program §116762.60. Source water protection program.

(a) The board shall, contingent upon receiving federal capitalization grant funds, develop and implement a program to protect sources of drinking water. In carrying out this program, the board shall coordinate with local, state, and federal agencies that have public health and environmental management programs to ensure an effective implementation of the program while avoiding duplication of effort and reducing program costs. The program shall include all of the following:

(1) A source water assessment program to delineate and assess the drinking water supplies of public drinking water systems pursuant to Section 1453 of the federal act.

(2) A wellhead protection program to protect drinking water wells from contamination pursuant to Section 1428 of the federal act.

(3) Pursuant to Section 1452(k) of the federal act, the board shall set aside federal capitalization grant funds sufficient to carry out paragraphs (1) and (2).

(b) The board shall set aside federal capitalization grant funds to provide assistance to water systems pursuant to Section 1452(k) of the federal act for the following source water protection activities, to the extent that those activities are proposed:

(1) To acquire land or a conservation easement if the purpose of the acquisition is to protect the source water of the system from contamination and to ensure compliance with primary drinking water regulations.

(2) To implement local, voluntary source water protection measures to protect source water in areas delineated pursuant to Section 1453 of the federal act, in order to facilitate compliance with primary drinking water regulations applicable to the water system under Section 1412 of the federal act or otherwise significantly further the health protection objectives of the federal and state acts.

(3) To carry out a voluntary, incentive-based source water quality protection partnership pursuant to Section 1454 of the federal act.

(c) The board shall post a report to its Internet Web site, every two years, on its activities under this section. The report shall contain a description of each program for which funds have been set aside under this section, the effectiveness of each program in carrying out the intent of the federal and state acts, and an accounting of the amount of set-aside funds used.

(d) This section shall become operative on January 1 of the next calendar year occurring after the board provides notice to the Legislature and the Secretary of State and posts notice on its Internet Web site that the board has adopted a policy handbook pursuant to Section 116760.43.

### **CHAPTER 5. WATER EQUIPMENT AND CONTROL**

# Article 1. Water Softeners

### §116775. Declaration.

The Legislature hereby finds and declares that the utilization of the waters of the state by residential consumers for general domestic purposes, including drinking, cleaning, washing, and personal grooming and sanitation of the people is a right that should be interfered with only when necessary for specified health and safety purposes or to protect the quality of the waters of the state. The Legislature further finds that variation in water quality, and particularly in water hardness, throughout the state often requires that onsite water softening or conditioning be available to domestic requirements of the residential household, but that residential water softening or conditioning appliances shall be available only as authorized in this article.

### §116780. Definitions.

(a) Unless the context otherwise requires the definitions in this section govern the construction of this article.

(b) "Clock control" means the system controlling the periodic automatic regeneration of a residential water softening or conditioning appliance that is based upon a predetermined and preset time schedule.

(c) "Demand control" means the system controlling the periodic automatic regeneration of a residential water softening or conditioning appliance that is based either upon a sensor that detects imminent exhaustion of the active softening or conditioning material or upon the measurement of the volume of water passing through the appliance. A demand control system activates regeneration based upon the state of the equipment and its ability to continue the softening process.

(d) "Fully manual regeneration" means the method of regeneration of a residential water softening or conditioning appliance in which operations are performed manually and in which dry salt is added directly to the ion-exchanger tank after sufficient water is removed to make room for the salt.

(e) "Hardness" means the total of all dissolved calcium, magnesium, iron and other heavy metal salts, that interact with soaps and detergents in a manner that the efficiency of soaps and detergents for cleansing purposes is impaired. Hardness is expressed in grains per gallon or milligrams per liter as if all such salts were present as calcium carbonate.

(f) "Local agency" means a city, county, city and county, district, or any other political subdivision of the state.

(g) "Manually initiated control" means the system controlling the periodic regeneration of a residential water softening or conditioning appliance in which all operations, including bypass of hard water and return to service, are performed automatically after manual initiation.

(h) "Regeneration" means the phase of operation of a water softening or conditioning appliance whereby the capability of the appliance to remove hardness from water is renewed by the application of a brine solution of sodium or potassium chloride salt to the active softening or conditioning material contained therein followed by a subsequent rinsing of the active softening or conditioning material.

(i) "Salt efficiency rating" means the efficiency of the use of sodium chloride salt in the regeneration of a water softening appliance, expressed in terms of hardness removal capacity of the appliance per pound of salt used in the regeneration process. The units of salt efficiency rating are grains of hardness removed per pound of salt used. One grain of hardness per gallon is approximately equivalent to 17.1 milligrams of hardness per liter.

### §116785. Installation of residential water softening appliances.

Except as provided in Section 116786, a residential water softening or conditioning appliance may be installed only if either of the following apply:

(a) The regeneration of the appliance is performed at a nonresidential facility separate from the location of the residence where the appliance is used.

(b) The regeneration of the appliance discharges to the community sewer system and all of the following conditions are satisfied:

(1) The appliance activates regeneration by demand control.

(2) An appliance installed on or after January 1, 2000, shall be certified by a third party rating organization using industry standards to have a salt efficiency rating of no less than 3,350 grains of hardness removed per pound of salt used in regeneration. An appliance installed on or after January 1, 2002, shall be certified by a third party rating organization using industry standards to have a salt efficiency rating of no less than 4,000 grains of hardness removed per pound of salt used in regeneration.

(3) The installation of the appliance is accompanied by the simultaneous installation of the following softened or conditioned water conservation devices on all fixtures using softened or conditioned water, unless the devices are already in place or are prohibited by local and state plumbing and building standards or unless the devices will adversely restrict the normal operation of the fixtures:

- (A) Faucet flow restrictors.
- (B) Shower head restrictors.
- (C) Toilet reservoir dams.

(D) A piping system installed so that untreated (unsoftened or unconditioned) supply water is carried to hose bibs and sill cocks that serve water to the outside of the house, except that bypass valves may be installed on homes with slab foundations constructed prior to the date of installation; or condominiums constructed prior to the date of installation; or otherwise where a piping system is physically inhibited.

### §116786. Restrictions on residential water softening appliances.

(a) Notwithstanding subdivision (b) of Section 116785, a local agency may, by ordinance, limit the availability, or prohibit the installation, of residential water softening or conditioning appliances that discharge to the community sewer system if the local agency makes all of the following findings and includes them in the ordinance:

(1) Limiting the availability, or prohibiting the installation, of the appliances is a necessary means of achieving compliance with waste discharge requirements issued by a California regional water quality control board. In determining a necessary means of achieving compliance, the local agency shall assess both of the following:

(A) The technological and economic feasibility of alternatives to the ordinance.

(B) The potential saline discharge reduction of the ordinance.

(2) The local agency has adopted and is enforcing regulatory requirements that limit the volumes and concentrations of saline discharges from nonresidential sources in the community waste disposal system to the extent technologically and economically feasible.

(b) Notwithstanding subdivision (b) of Section 116785, a local agency may, by ordinance, limit the availability, or prohibit the installation, of residential water softening or conditioning appliances that discharge to the community sewer system if the local agency makes all of the following findings and includes them in the ordinance:

(1) Limiting the availability, or prohibiting the installation, of the appliances is a necessary means of achieving compliance with the water reclamation requirements or the master reclamation permit issued by a California regional water quality control board. In determining a necessary means of achieving compliance, the local agency shall assess both of the following:

(A) The technological and economic feasibility of alternatives to the ordinance.

(B) The potential saline discharge reduction of the ordinance.

(2) The local agency has adopted, and is enforcing, regulatory requirements that limit the volumes and concentrations of saline discharges from nonresidential sources to the community waste disposal system to the extent technologically and economically feasible.

(c) Local agency findings shall be substantiated by an independent study of discharges from all sources of salinity, including, but not limited to, residential water softening or conditioning appliances, residential consumptive use, industrial and commercial discharges, and seawater or brackish water infiltration and inflow into the sewer collection system. The study shall quantify, to the greatest extent feasible, the total discharge from each source of salinity and identify remedial actions taken to reduce the discharge of salinity into the community sewer system from each source, to the extent technologically and economically feasible, to bring the local agency into compliance with waste discharge requirements, water reclamation requirements, or a master reclamation permit, prior to limiting or prohibiting the use of residential water softening or conditioning appliances.

(d) Any ordinance adopted pursuant to this section shall be prospective in nature and may not require the removal of residential water softening or conditioning appliances that are installed before the effective date of the ordinance.

(e) To comply with this section, any local agency described in subdivision (f) of Section 116780 is authorized to adopt an ordinance.

(f) This section shall become operative on January 1, 2003.

### §116787. Santa Clarita Valley Sanitation District.

(a) Notwithstanding subdivision (d) of Section 116786, the Santa Clarita Valley Sanitation District, or any successor district, may, by ordinance adopted subsequent to an ordinance adopted pursuant to Section 116786, require the removal of all installed residential self-regenerating water softeners, if the district makes all of the following findings and includes those findings in the ordinance:

(1) The removal of residential self-regenerating water softeners is a necessary and costeffective means of achieving timely compliance with waste discharge requirements, water reclamation requirements, or a Total Maximum Daily Load (TMDL) issued by a California regional water quality control board. In determining what constitutes a necessary and costeffective means of achieving compliance, the district shall assess all of the following:

(A) Alternatives to the ordinance.

(B) The cost-effectiveness and timeliness of the alternatives as compared to the adoption of the ordinance.

(C) The reduction in chloride levels to date resulting from the voluntary program implemented pursuant to paragraph (1) of subdivision (c).

(D) The potential reduction in chloride levels expected as a result of the program implemented pursuant to paragraph (2) of subdivision (c).

(2) The district has adopted and is enforcing regulatory requirements that limit the volume and concentrations of saline discharges from nonresidential sources to the community sewer system, to the extent that is technologically and economically feasible.

(3) Based on available information, sufficient wastewater treatment capacity exists in Los Angeles County to make portable exchange water softening services available to residents affected by this ordinance.

(4) Based on available information, the adoption and implementation of the ordinance will avoid or significantly reduce the costs associated with advanced treatment for salt removal and brine disposal that otherwise would be necessary to meet the Total Maximum Daily Load (TMDL) for chloride, established by the Regional Water Quality Control Board, Los Angeles Region, for Reaches 5 and 6 of the Santa Clara River, in Los Angeles County that took effect May 4, 2005.

#### (b)

(1) An ordinance adopted pursuant to subdivision (a) shall not be effective until it is approved by a majority vote of the qualified votes cast in a regularly scheduled election, following the adoption of the ordinance, held in the district's service area, in a referendum in accordance with applicable provisions of the Elections Code.

(2) Information regarding the projected cost differences between advanced treatment for salt removal and brine disposal without the removal of installed residential self-regenerating water softeners, alternatives identified in paragraph (1) of subdivision (a), and the removal of installed residential self-regenerating water softeners shall be included in voter information material.

### (c)

(1) Prior to the effective date of any ordinance adopted pursuant to subdivision (a), the district shall make available to owners of residential self-regenerating water softeners within its service area a voluntary program to compensate the owner of the appliance for 100 percent of the reasonable value of the removed appliance, and the reasonable cost of the removal and disposal of the appliance, both of which shall be determined by the district, with consideration given to information provided by manufacturers of residential self-regenerating water softeners and providers of water softening or conditioning appliances and services in the district's service area regarding purchase price, useful life, and the cost of installation, removal, and disposal.

(2) On and after the effective date of any ordinance adopted pursuant to subdivision (a), the district shall make available to owners of residential self-regenerating water softeners within its service area a program to compensate the owner of the appliance for 75 percent of the reasonable value of the removed appliance, and the reasonable cost of the removal and disposal of the appliance, both of which shall be determined by the district, with consideration given to information provided by manufacturers of residential self-regenerating water softeners and providers of water softening or conditioning appliances and services in the district's service area regarding purchase price, useful life, and the cost of installation, removal, and disposal.

(3) Compensation pursuant to paragraphs (1) and (2) shall only be made available if the owner disposes of the residential self-regenerating water softener and provides written confirmation of the disposal which may include, but is not limited to, verification in writing provided by the franchise refuse hauler that provides the service of removing the appliance or verification in writing of the appliance's destruction by the party responsible for its recycling or final disposal.

(4) If the owner of a residential self-regenerating water softener is in the business of renting or leasing residential self-regenerating water softeners, the owner may voluntarily waive compensation pursuant to paragraphs (1) and (2), and shall not be required to dispose of the appliance if the owner provides the district with written confirmation that the appliance has been removed from the home within the district's service area for use in a location outside the district's service area.

(5) The terms of compensation included in paragraphs (1) and (2) shall be included in an ordinance adopted pursuant to subdivision (a).

(6)

(A) Upon the request of the district, the providers of water softening or conditioning services and appliances to residents of the district's service area shall provide the district, within 60 days, copies of purchase agreements or receipts, or any other specific records of sales of residential self-generating water softeners in the district's service area.

(B) The information in this paragraph shall remain protected and confidential in accordance with applicable provisions of the Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code).

(d) Any ordinance adopted pursuant to subdivision (a) and approved in accordance with subdivision (b) shall not take effect until January 1, 2009.

(e) For purposes of this section, "residential self-regenerating water softeners" and "appliances" mean residential water softening or conditioning appliances that discharge brine into the community sewer system.

### §116790. Currently installed residential water softening appliances.

Any water softening appliance in place at a residential dwelling prior to January 1, 1980, in those areas being served by sewage treatment facilities that have been limited with regard to salt loading pursuant to Division 7 (commencing with Section 13000) of the Water Code and for which the appropriate regional water quality control board makes a finding, after adoption of waste discharge requirements and subject to a public hearing, that the control of residential salinity input is necessary to provide compliance with those limitations, may be continued in operation for a period no longer than four years after the regional water quality control board has made its findings. After the four-year period has elapsed, any water softening appliance at that site shall be set at a salt efficiency rating of no less than 2850 grains of hardness removed per pound of salt used in regeneration when regeneration is initiated with clock controls or manuallyinitiated controls, or shall have regenerations initiated with demand devices. Also, after the fouryear period has elapsed, those water-saving devices in shower heads, on faucets, and in toilet reservoirs, as recited in paragraph (2) of subdivision (b) of Section 116785, shall be installed unless already in place or prohibited by local and state plumbing and building standards. The salt efficiency rating of the water softening or conditioning appliance and the installation of water-saving devices shall be certified in accordance with Section 116795.

### §116795. Certification required for residential water softening appliances.

The certification required by this article shall be provided by the new user of the appliance and shall be completed by a contractor having a valid Class C-55 water conditioning contractor's license or Class C-36 plumbing contractor's license and filed with the local agency responsible for issuing plumbing permits.

The certification form shall contain all of the following information:

(a) Name and address of homeowner.

(b) Manufacturer of the water softening or conditioning appliance, model number of the appliance, pounds of salt used per regeneration, and salt efficiency rating at the time of certification.

(c) Manufacturer of the water-saving devices installed, model number, and number installed.

(d) Name, address, and the specialty contractor's license number of the C-55 and C-36 licensee making the certification.

# Article 2. Cross-Connection Control by Water Users §116800. Control of users.

Local health officers may maintain programs for the control of cross-connections by water users, within the users' premises, where public exposure to drinking water contaminated by backflow may occur. The programs may include inspections within water users premises for the purpose of identifying cross-connection hazards and determining appropriate backflow protection. Water users shall comply with all orders, instructions, regulations, and notices from the local health officer with respect to the installation, testing, and maintenance of backflow prevention devices. The local health officer may collect fees from those water users subject to inspection to offset the costs of implementing cross-connection control programs.

### <u>§116805. Fees.</u>

(a) Local health officers may maintain programs, in cooperation with water suppliers, to protect against backflow through service connections into the public water supply, and, with the consent of the water supplier, may collect fees from the water supplier to offset the costs of implementing these programs.

(b) The fees authorized under this section and under Section 116800 shall be limited to the costs of administering these programs. At the discretion of the water supplier, the fees collected from the water supplier by the local health officer may be passed through to water users.

(c) Programs authorized under this section and Section 116800 shall be conducted in accordance with backflow protection regulations adopted by the department.

(d) Nothing in this article shall prevent a water supplier from directly charging those water users required to install backflow prevention devices for the costs of the programs authorized in this section and Section 116800.

# §116810. Local Health Programs Certification of Testers.

To ensure that testing and maintenance of backflow prevention devices are performed by persons qualified to do testing and maintenance, local health officers may maintain programs for certification of backflow prevention device testers. The local health officer may suspend, revoke, or refuse to renew the certificate of a tester, if, after a hearing before the local health officer or his or her designee, the local health officer or his or her designee finds that the tester has practiced fraud or deception or has displayed gross negligence or misconduct in the performance of his or her duties as a certified backflow prevention device tester. The local health officer may collect fees from certification standards shall be consistent with standards adopted by the state board pursuant to Section 116407 and any other applicable backflow protection regulations.

### §116815. Purple pipe for reclaimed water.

(a) All pipes installed above or below the ground, on and after June 1, 1993, that are designed to carry recycled water, shall be colored purple or distinctively wrapped with purple tape.

(b) Subdivision (a) shall apply only in areas served by a water supplier delivering water for municipal and industrial purposes, and in no event shall apply to any of the following:

(1) Municipal or industrial facilities that have established a labeling or marking system for recycled water on their premises, as otherwise required by a local agency, that clearly distinguishes recycled water from potable water.

(2) Water delivered for agricultural use.

(c) For purposes of this section, "recycled water" has the same meaning as defined in subdivision (n) of Section 13050 of the Water Code.

### §116820. Violations.

Any person who violates any provision of this article, violates any order of the local health officer pursuant to this article, or knowingly files a false statement or report required by the local health officer pursuant to this article is guilty of a misdemeanor punishable by a fine not exceeding five hundred dollars (\$500) or by imprisonment not exceeding 30 days in the county jail or by both such fine and imprisonment. Each day of a violation of any provision of this article or of any order of the local health officer beyond the time stated for compliance of the order shall be a separate offense.

# Article 3. Water Treatment Devices §116825. Definitions.

<u>§116825. Definitions.</u>

Unless the context otherwise requires, the following definitions shall govern construction of this article:

(a) "Water treatment device" means any point of use or point of entry instrument or contrivance sold or offered for rental or lease for residential use, and designed to be added to the plumbing system, or used without being connected to the plumbing of a water supply intended for human consumption in order to improve the water supply by any means, including, but not limited to, filtration, distillation, adsorption, ion exchange, reverse osmosis, or other treatment. "Water treatment device" does not include any device that is regulated pursuant to Article 12 (commencing with Section 111070) of Chapter 5 of Part 5.

(b) "Department" means the State Department of Public Health.

(c) "Person" means any individual, firm, corporation, or association, or any employee or agent thereof.

(d) "Contaminants" means any health-related physical, chemical, biological, or radiological substance or matter in water.

(e) "Health or safety claim" means any claim that the water treatment device will remove or reduce a contaminant for which either of the following applies:

(1) A primary drinking water standard as defined in Section 116275, or a treatment requirement as authorized in subdivision (j) of Section 116365 and subdivision (d) of Section 116375, has been established.

(2) A national primary drinking water standard or treatment requirement has been established under the federal Safe Drinking Water Act (42 U.S.C. Sec. 300g-1).

(f) "Manufacturer" means any of the following:

(1) A person that makes, converts, constructs, or produces water treatment devices for the purposes of sale, lease, or rental to individuals, corporations, associations, or other entities.

(2) A person that assembles water treatment devices or treatment components from components manufactured by another entity.

(3) A person that adds its own product name or product identification to water treatment devices or treatment components that have been manufactured or assembled by another entity.

### §116831. Nullification of existing water treatment device regulations.

All regulations adopted pursuant to this article prior to January 1, 2014, are repealed.

#### §116832. Water treatment device requirements.

(a) Commencing January 1, 2014, each manufacturer that offers for sale in California a water treatment device for which it makes a health or safety claim shall, for each water treatment device for which the manufacturer does not have a valid, unexpired certificate issued by the department prior to December 1, 2013, annually submit to the department the following information, together with the fee prescribed in Section 116850, for purposes of the department publishing the information on its Internet Web site:

(1) The name, address, telephone number, and Internet Web site address, if any, of the manufacturer.

(2) The name, address, and telephone number of a contact person for the manufacturer.

(3) The name and model number of the water treatment device, and any other product identification, used by the manufacturer to describe the water treatment device or treatment component.

(4) Each specific contaminant claimed to be removed or reduced by the device.

(5) For each specific contaminant identified pursuant to paragraph (4), the name of the organization that meets the accreditation standards of the American National Standards Institute and that has certified the device to verify its removal or reduction performance for that contaminant, the name of the testing protocol or standard used to test the device, a statement from the testing laboratory giving the date of the test, a summary of the results, and the date, if any, by which the device must be retested for verification of the removal or reduction performance to remain effective.

(6) A product information worksheet that includes the following information:

(A) A summary of the information required to be submitted to the department pursuant to paragraphs (1) to (5), inclusive.

(B) A copy of the certificate issued by the organization that certified the device, as described in paragraph (5).

(C) The service flow rate in gallons per minute or gallons per day or the production rate in gallons per day.

(D) The rated service life of the water treatment device, if applicable.

(E) The general use conditions and needs of the device, including, but not limited to, its maximum turbidity and the bacteriological quality of source water.

(F) The model or part number of components that must be periodically or routinely replaced to maintain the effectiveness of the device.

(G) The maximum and minimum operating temperature of the device in degrees Fahrenheit and degrees Centigrade.

(H) The maximum and minimum operating pressure of the device in pounds per square inch and kilograms per square centimeter.

(I) A reference to the device's owners' manual for general operation and maintenance requirements and the manufacturer's warranty.

(b)

(1) Information submitted to the department pursuant to subdivision (a) that is accompanied by the fee required by Section 116850 and postmarked, or sent electronically, after September 1, but on or before March 1, shall be published by the department pursuant to Section 116845 no later than April 1 next following the submission.

(2) Information submitted to the department pursuant to subdivision (a) that is accompanied by the fee required by Section 116850 and postmarked, or sent electronically, after March 1, but on or before September 1, shall be published by the department pursuant to Section 116845 no later than October 1 of that same year.

## §116835. Claims and identification requirements.

(a) A water treatment device for which a health or safety claim is made shall not be sold or otherwise distributed unless the device is included on the list of water treatment devices published on the state board's Internet Web site pursuant to Section 116845.

(b) After July 1, 2015, the exterior packaging of a water treatment device for which a health or safety claim is made, and that is offered for sale in a retail establishment in California, shall clearly identify the contaminant or contaminants that the device has been certified pursuant to subdivision (a) to remove or reduce. If a device has been certified to remove or reduce more than five contaminants, at least five contaminants shall be listed on the exterior packaging followed by a statement directing consumers to visit the manufacturer's Internet Web site to obtain information regarding additional contaminants that the device is certified to remove or reduce.

(c) After July 1, 2015, the manufacturer of a water treatment device for which it makes a health or safety claim shall include with each water treatment device offered for sale in California a decal that may be affixed to the device by the consumer that states, at a minimum, the following:

"Please refer to the owner's manual for proper maintenance and operation. If this device is not maintained and operated as specified in the owner's manual, there is a risk of exposure to contaminants. For more information, visit the manufacturer's Internet Web site at Manufacturer's Internet Web Site or the State Water Resources Control Board's Internet Web site at www.swrcb.ca.gov."

### §116836. Certification.

(a) Notwithstanding any other law, a certificate issued by the department shall not be valid unless the application for certification was filed on or before November 1, 2013.

(b) A currently valid certificate issued by the department on or before December 31, 2013, pursuant to this article, shall remain valid for five years following the date of initial issuance, provided that the manufacturer pays the annual fee established by Section 116850.

### §116840. Enforcement.

(a) The department, or any local health officer with the concurrence of the department, shall enforce this article.

(b) The department may remove a water treatment device from, or determine not to include a water treatment device on, the list of water treatment devices on the department's Internet Web site upon its determination of any of the following:

(1) That the manufacturer, or any employee or agent thereof, has violated this article or Chapter 1 (commencing with Section 17500) of Part 3 of Division 7 of the Business and Professions Code.

(2) That any of the information submitted pursuant to Section 116832 is not true.

(3) That a certificate issued by the department prior to December 31, 2013, has expired, unless the manufacturer otherwise complies with Section 116832.

(4) That the manufacturer has not paid the annual fees required by Section 116850.

(5) That the manufacturer has failed to submit all of the information required by subdivision (a) of Section 116832.

(c) Any person, corporation, firm, partnership, joint stock company, or any other association or organization that violates any provision of this article shall be liable for a civil penalty not to exceed five thousand dollars (\$5,000) for each violation. Where the conduct constituting a violation is of a continuing nature, each day of the conduct is a separate and distinct violation. The civil penalty shall be assessed and recovered in a civil action brought in the name of the people of the State of California by the Attorney General, or by any district attorney, county counsel, or city attorney in any court of competent jurisdiction.

(d) If the action is brought by the Attorney General, one-half of the penalty collected shall be paid to the treasurer of the county in which the judgment was entered, and one-half to the State Treasurer. If brought by a district attorney or county counsel, the entire amount of penalties collected shall be paid to the treasurer of the county in which the judgment was entered. If brought by a city attorney or city prosecutor, one-half of the penalty shall be paid to the treasurer of the county and one-half to the city.

(e) Unless otherwise provided, the remedies or penalties provided by this article are cumulative to each other and to remedies or penalties available under all other laws of this state.

### §116845. List of devices.

The department shall publish semiannually on its Internet Web site the following: (a)

(1) A list of water treatment devices for which a valid certification was issued by the department on or before December 31, 2013, except for those water treatment devices that the department has removed from, or determined not to include on, the list of water treatment devices on its Internet Web site.

(2) A list of water treatment devices for which a manufacturer has submitted information pursuant to Section 116832, except for those water treatment devices that the department has determined to remove from, or not include on, the list pursuant to Section 116840.

(3) A product worksheet for each water treatment device listed on the department's Internet Web site.

(b) Consumer information, in English and Spanish, regarding the appropriate use of water treatment devices.

#### <u>§116850. Fees.</u>

(a) The department shall charge and collect the applicable annual fee, as established pursuant to subdivision (b), from each manufacturer that submits information as required by Section 116832 and from each manufacturer that has a currently valid certificate issued by the department. The fees established pursuant to subdivision (b) shall not exceed the amount necessary to recoup the reasonable regulatory costs incurred by the department in publishing and maintaining the information on its Internet Web site as provided in Section 116845 and in conducting enforcement actions, including, but not limited to, referring matters for enforcement to other agencies pursuant to Section 116840.

#### (b)

(1) For each water treatment device for which the manufacturer has submitted the information required by subdivision (a) of Section 116832, the annual fee shall be up to five hundred dollars (\$500).

(2) For each water treatment device that has a valid, unexpired certificate issued by the department prior to December 31, 2013, the annual fee shall be up to five hundred dollars (\$500).

(c) The department may establish and periodically adjust the fee authorized by subdivision (a) by publishing the fee on its Internet Web site. This action by the department shall not be subject to the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

### §116855. Residential water softener exemption.

This article shall not apply to residential self-regenerating water softeners, as defined in Section 13148 of the Water Code.

## §116860. Water Device Certification Special Account.

There is in the State Treasury the Water Device Certification Special Account. Fees collected pursuant to Section 116850 shall be deposited in the account created by this section. The money in the account is available for expenditure by the department, upon appropriation by the Legislature, solely for the purposes specified in this article.

## §116865. Loan for implementation.

The Director of Finance may authorize the department to borrow up to two hundred thousand dollars (\$200,000) for the purpose of implementing this article from any fund or account deemed appropriate by the Director of Finance. The department shall repay the loan with interest to be determined in accordance with Section 16314 of the Government Code.

# Article 4. Lead Materials

## §116875. Lead pipes, pumping, and solder.

(a) No person shall use any pipe, pipe or plumbing fitting or fixture, solder, or flux that is not lead free in the installation or repair of any public water system or any plumbing in a facility providing water for human consumption, except when necessary for the repair of leaded joints of cast iron pipes.

(b)

(1) No person shall introduce into commerce any pipe, pipe or plumbing fitting, or fixture intended to convey or dispense water for human consumption through drinking or cooking that is not lead free, as defined in subdivision (e). This includes kitchen faucets, bathroom faucets, and any other end-use devices intended to convey or dispense water for human consumption through drinking or cooking, but excludes service saddles, backflow preventers for nonpotable services such as irrigation and industrial, and water distribution main gate valves that are two inches in diameter and above.

(2) Pipes, pipe or plumbing fittings, or fixtures that are used in manufacturing, industrial processing, for irrigation purposes, and any other uses where the water is not intended for human consumption through drinking or cooking are not subject to the requirements of paragraph (1).

(3) For all purposes other than manufacturing, industrial processing, or to convey or dispense water for human consumption, "lead free" is defined in subdivision (f).

(c) No person engaged in the business of selling plumbing supplies, except manufacturers, shall sell solder or flux that is not lead free.

(d) No person shall introduce into commerce any solder or flux that is not lead free unless the solder or flux bears a prominent label stating that it is illegal to use the solder or flux in the installation or repair of any plumbing providing water for human consumption.

(e) For the purposes of this section, "lead free" means not more than 0.2 percent lead when used with respect to solder and flux and not more than a weighted average of 0.25 percent when used with respect to the wetted surfaces of pipes and pipe fittings, plumbing fittings, and fixtures. The weighted average lead content of a pipe and pipe fitting, plumbing fitting, and fixture shall be calculated by using the following formula: The percentage of lead content within each component that comes into contact with water shall be multiplied by the percent of the total wetted surface of the entire pipe and pipe fitting, plumbing fitting, or fixture represented in each component containing lead. These percentages shall be added and the sum shall constitute the weighted average lead content of the pipe and pipe fitting, plumbing fitting, or fixture.

(f) For the purposes of paragraph (3) of subdivision (b), "lead free," consistent with the requirements of federal law, means not more than 0.2 percent lead when used with respect to solder and flux and not more than 8 percent when used with respect to pipes and pipe fittings. With respect to plumbing fittings and fixtures, "lead free" means not more than 4 percent by dry weight after August 6, 2002, unless the department has adopted a standard, based on health effects, for the leaching of lead.

### (g)

(1) All pipe, pipe or plumbing fittings or fixtures, solder, or flux shall be certified by an independent American National Standards Institute (ANSI) accredited third party, including, but not limited to, NSF International, as being in compliance with this section.

(2):

(A) The certification described in paragraph (1) shall, at a minimum, include testing of materials in accordance with the protocols used by the Department of Toxic Substances Control in implementing Article 10.1.2 (commencing with Section 25214.4.3) of Chapter 6.5 of Division 20.

(B) The certification required pursuant to this subdivision shall not interfere with either the department's exercise of its independent authority to protect public health pursuant to this section, or the Department of Toxic Substances Control's exercise of its independent authority to implement Article 10.1.2 (commencing with Section 25214.4.3) of Chapter 6.5 of Division 20.

(3) It is the intent of the Legislature that this subdivision only provide guidance and assistance to the entities that use an independent ANSI accredited third party to demonstrate compliance with this section. Any tests developed by an independent ANSI accredited third party in accordance with this subdivision shall have no weight of authority under California statute.

(4) Notwithstanding paragraph (1), the department shall retain its independent authority in administering this article.

(h) This section shall become operative on January 1, 2010. The requirement described in subdivision (g) shall not be construed in any manner as to justify a delay in compliance with the lead-free standard set forth in subdivision (e).

### §116880. Regulation authority.

The department shall adopt building standards to implement Section 116875. The standards shall be adopted in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code and shall be published in the State Building Standards Code located in Title 24 of the California Code of Regulations. The standards shall be enforced by the appropriate state and local building and health officials.

#### §116885. Lead Service Lines in Public Water Systems.

(a) By July 1, 2018, a community water system shall compile an inventory of known lead user service lines in use in its distribution system and identify areas that may have lead user service lines in use in its distribution system.

### (b)

(1) By July 1, 2020, a community water system that has identified known lead user service lines in use in its distribution system as provided in subdivision (a) shall provide a timeline for replacement of known lead user service lines in use in its distribution system to the state board.

(2) By July 1, 2020, a community water system that has identified areas that may have lead user service lines in use in its distribution system as provided for in subdivision (a) shall do both of the following:

(A) Provide to the state board its determination as to whether there are any lead user service lines in use in those areas of its distribution system and provide a timeline to the state board for replacement of those lead user service lines that the community water system has identified.

(B) Provide its findings as to whether there are any areas for which it cannot determine the content of the user service lines and a timeline to the state board for replacement of the user service lines whose content cannot be determined.

(c) The state board shall review and approve a timeline established pursuant to subdivision (b) as follows:

(1) The state board shall review a community water system's proposed timeline for lead user service line replacement and, within 30 days of submission of the timeline to the state board, do either of the following:

(A) Approve the proposed timeline.

(B) Deny the proposed timeline and propose a revised timeline to the community water system. The state board shall explain to the community water system, in writing, why the community water system's timeline was not approved, the factors that the state board used to propose a revised timeline, and why the state board used those factors.

(2) If the state board fails to act within 30 days of the submission of the timeline, the timeline shall be deemed approved.

(3) If the public water system rejects the state board's proposed revised timeline, the public water system and the state board shall develop a compromise timeline within 30 days.

(4) An approved timeline or a compromise timeline shall be a public record and available on the state board's Internet Web site.

(5) In cases where a portion of a community water system's distribution system is located within a Superfund site, as designated under the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sec. 9601 et seq.), under an active cleanup order, the state board shall not propose a timeline for lead user service line replacement that does not conform to any applicable federal regulatory requirements or timelines.

## §116890. Definitions.

(a) For purposes of this article, the following definitions apply:

(1) "Community water system" has the same meaning as in Section 116275.

(2) "Public water system" has the same meaning as in Section 116275.

(3) "State board" means the State Water Resources Control Board.

(4) "User service line" has the same meaning as in Section 64551.60 of Title 22 of the California Code of Regulations.

(b) The state board may apply the requirements of subdivision (a) of Section 116875 and Section 116885 to, and enforce the requirements of those provisions against, public water systems and community water systems under Chapter 4 (commencing with Section 116270). For purposes of Article 7 (commencing with Section 116525), Article 8 (commencing with Section 116625), and Article 9 (commencing with Section 116650) of Chapter 4, a violation of subdivision (a) of Section 116875 or Section 116885 by a public water system is a violation of Chapter 4 (commencing with Section 116270).

# CHAPTER 7. WATER SUPPLY

### Article 1. Water Supply Provisions

### §116975. Restriction on dead animals in surface water.

No person shall put the carcass of any dead animal, or the offal from any slaughter pen, corral, or butcher shop, into any river, creek, pond, reservoir, or stream.

### §116980. Water closets, privy, cesspools, septic tank, and dead animals restrictions.

No person shall put any water closet, privy, cesspool or septic tank, or the carcass of any dead animal, or any offal of any kind, in, or upon the borders of, any stream, pond, lake, or reservoir from which water is drawn for the supply of any portion of the inhabitants of this state, in a manner that the drainage of the water closet, privy, cesspool or septic tank, or carcass, or offal may be taken up by or in the water.

# <u>§116985. Water closets, privy, cesspools, septic tank, and dead animals restrictions on private land.</u>

No person shall allow any water closet, privy, cesspool, or septic tank, or carcass of any dead animal, or any offal of any kind, to remain in or upon the borders of any stream, pond, lake, or reservoir within the boundaries of any land owned or occupied by him or her, in a manner that the drainage from the water closet, privy, cesspool or septic tank, or carcass, or offal, may be taken up by or in the stream, pond, lake, or reservoir, if water is drawn therefrom for the supply of any portion of the inhabitants of this state.

### §116990. Livestock restrictions near surface water for public use.

No person shall keep any horses, mules, cattle, swine, sheep, or live stock of any kind, penned, corralled, or housed on, over, or on the borders of any stream, pond, lake, or reservoir, in a manner that the waters become polluted, if water is drawn therefrom for the supply of any portion of the inhabitants of this state.

### §116995. Livestock restrictions near drinking water sources.

No person shall cause or permit any horses, cattle, sheep, swine, poultry, or any kind of live stock or domestic animals, to pollute the waters, or tributaries of waters, used or intended for drinking purposes by any portion of the inhabitants of this state.

### §117000. Restrictions on bathing in surface water.

No person shall bathe, except as permitted by law, in any stream, pond, lake, or reservoir from which water is drawn for the supply of any portion of the inhabitants of this state, or by any other means foul or pollute the waters of any such stream, pond, lake, or reservoir.

### §117005. Livestock grazing permitted.

Nothing in this article shall be held to prevent the grazing of livestock in areas embracing any stream or watershed where the grazing would not tend to render the waters unwholesome or injurious to the public health.

### §117010. Penalties for washing clothes in drinking water source.

Every person who washes clothes in any spring, stream, river, lake, reservoir, well, or other waters that are used or intended for drinking purposes by the inhabitants of the vicinage or of any city, county, or town, of this state, is guilty of a misdemeanor, punishable by imprisonment in the county jail for not more than 90 days, or a fine of not less than fifty dollars (\$50) nor more than one thousand dollars (\$1,000), or by both such fine and imprisonment. Each day's violation of this section is a separate offense.

### §117015. Penalty for surface water pollution of drinking water source.

Every person who violates, or refuses or neglects to conform to, any sanitary rule, order, or regulation prescribed by the department for the prevention of the pollution of springs, streams, rivers, lakes, wells, or other waters used or intended to be used for human or animal consumption, is guilty of a misdemeanor.

### §117020. Restrictions on waste wells in drinking water aquifers.

No person shall construct, maintain, or use any waste well extending to or into a subterranean water-bearing stratum that is used or intended to be used as, or is suitable for, a source of water supply for domestic purposes, except pursuant to Article 6 (commencing with Section 13540) of Chapter 7, Division 7 of the Water Code.

### §117025. Restrictions on boats used as residences.

It is unlawful for the owner, tenant, lessee, or occupant of any houseboat or boat intended for or capable of being used as a residence, house, dwelling, or habitation, or agent of the owner, tenant, lessee, or occupant to moor or anchor it or permit it to be moored or anchored in or on any river or stream, the waters of which are used for drinking or domestic purposes by any city, town, or village, within a distance of two miles above the intake or place where the city, town, or village water system takes water from the river or stream. This section does not apply to the mooring or anchoring of a houseboat when necessary, during transportation, for a period of not longer than one day.

### §117030. Remedy if water supply is contaminated.

Violation of this article may be enjoined by any court of competent jurisdiction at the suit of any person whose supply of water for human or animal consumption or for domestic purposes is or may be affected, or by the state department.

#### §117035. Summary abatement.

Anything done, maintained, or suffered, in violation of any of the provisions of this article is a public nuisance, dangerous to health, and may be summarily abated as such.

### §117040. Public fishing in reservoir.

A city, city and county, district or other public agency, owning or operating a reservoir used for domestic or drinking water purposes, may open to public fishing all or any part of the reservoir and its surrounding land.

# §117045. Permits for public fishing in reservoir.

Before the reservoir and its surrounding land are opened to public fishing the public agency owning or operating the reservoir shall determine that the public fishing will not affect the purity and safety for drinking and domestic purposes of the water collected in the reservoir, and shall obtain from the department a valid water supply permit setting forth the terms and conditions upon which public fishing may be conducted in the reservoir and on its surrounding land.

# §117050. Restrictions on public fishing.

Public fishing shall not be conducted in a reservoir or on its surrounding land if the reservoir is used as a regulating reservoir to meet daily or peak consumption demands and as a terminal reservoir to a water collecting facility and as a distribution reservoir from which water may be supplied for drinking or domestic purposes without full purification treatment after withdrawal from the reservoir.

#### §117055. Department authority to allow public fishing.

The department may allow public fishing on any terminal reservoir if it finds that adequate means are being used to protect drinking water quality and that public fishing will have no significant effect on water quality. The department shall examine all feasible means of protecting water quality on terminal reservoirs and other reservoirs where public fishing may be allowed. The department may close any terminal water supply reservoir to public angling on an emergency basis, if water quality is threatened by public use.

#### §117060. Operation of public fishing facilities.

The public agency owning or operating the reservoir may establish and collect fees, including charges for motor vehicle parking, for the construction and operation of structures, facilities and equipment and the operation and use of the reservoir and its surrounding lands for public fishing. The public agency may contract with any agency or department of the federal government or the state, with other public agencies or with private individuals for the construction, operation and use of structures, facilities and equipment and the performance of services necessary or convenient to public fishing in the reservoir and on its surrounding land, including the rental, lease or permission to use portions of the reservoir and its surrounding lands for structures, facilities and equipment necessary or convenient for the use of the public. The public agency may establish and enforce all rules and regulations necessary or convenient to the conducting of public fishing on the reservoir and its surrounding land and for the control, operation and protection of the reservoir, its surrounding land and all structures, facilities and equipment in connection with the reservoir.

### §117065. Posting of rules and regulations.

The public agency shall cause a copy of the rules and regulations to be posted upon the area opened to public fishing and other recreational uses, and it shall cause the rules and regulations to be published at least once in a newspaper of general circulation published in the county in which the reservoir is in whole or in part situated, if there be a newspaper, otherwise in a newspaper of general circulation published within the area of the public agency. If a public agency amends its rules and regulations, the public agency shall similarly publish a summary of its amended rules and regulations, along with an Internet address and the physical location where the complete text of the amended rules and regulations may be viewed. Posting and publication shall be sufficient notice to all persons. The affidavit of the secretary, clerk, or corresponding officer of the public agency that the rules and regulations, attested by the secretary, clerk, or corresponding officer of the public agency shall be prima facie evidence that the regulations have been made by the public agency as provided by law.

#### §117070. Penalties.

Any violation of any such rule or regulation lawfully made by the public agency is a misdemeanor. Any judge of a municipal court within any judicial district within which the reservoir lies in whole or in part, or any superior court in a county in which there is no municipal court, shall have jurisdiction of all prosecutions for violations of any rules and regulations adopted by the public agency.

#### §117075. "Grandfather" clause.

Sections 117040 to 117070, inclusive, shall not apply to reservoirs used for domestic or drinking water purposes that are open to fishing or recreational uses on September 11, 1957, or that have been open to fishing or recreational uses prior to that date.

# **PUBLIC RESOURCES CODE**

# DIVISION 145. BLUE RIBBON COMMITTEE FOR THE REHABILITAION OF CLEAR LAKE

#### <u>§22085. Legislative Findings.</u>

The Legislature finds and declares all of the following:

(a) According to California census data, Lake County, among the poorest counties in the State of California, is growing at a much slower economic rate than the majority of the state.

(b) Based on the 2016 Lake County Comprehensive Economic Development Strategy, Clear Lake, in Lake County, is one of the top two contributors to the local economy, cited as "the cornerstone of the local visitor and recreation markets," mainly through boating and bass fishing tourism.

(c) Clear Lake is the oldest species-rich, warm water, natural lake in North America. The lake contributes to the surrounding ecosystems of native plants and animals, as well as species introduced by the Department of Fish and Wildlife. Clear Lake and the surrounding environment is also a home to endangered and rare animal species.

(d) Clear Lake suffers from numerous environmental hazards that negatively affect the quality of the water and the lake's fish, including all of the following issues:

(1) The State Water Resources Control Board determined that the amount of mercury found in the lake, caused by runoff, fails to meet environmental standards and is in need of improvement.

(2) The Office of Environmental Health Hazard Assessment concluded that the fish caught in Clear Lake, specifically the bass, are not safe for women and children to eat in abundance, or at all.

(3) The 2016 Lake County Comprehensive Economic Development Strategy reports that the overgrowth of seasonal algae, cyanobacteria, and invasive weeds, such as hydrilla, cause a variety of health and habitat problems for the lake. The abundance of cyanobacteria blooms produce odor and surface scum, alter processed drinking water taste, and sometimes cause toxic conditions for pets, creating a seasonal decrease in tourism and depression in the local economy.

(e) Therefore, it is the intent of the Legislature to enact legislation that would establish the Blue Ribbon Committee for the Rehabilitation of Clear Lake. The committee will spearhead activities aimed at cleaning up the lake for environmental gains that will revitalize its regional significance so that it may once again be used for recreational purposes, thus creating jobs and inciting new economic development.

#### §22086. Title.

There is hereby established in the Natural Resources Agency the Blue Ribbon Committee for the Rehabilitation of Clear Lake.

#### §22087. Definitions.

For purposes of this division, the following terms have the following meanings:

(a) "Agency" means the Natural Resources Agency.

(b) "Committee" means the Blue Ribbon Committee for the Rehabilitation of Clear Lake.

#### §22089. Committee Members.

(a) The committee shall consist of at least nine members and shall include the following representatives:

(1) A representative from the University of California, Davis, to be appointed by the chancellor from the university.

(2) One member of the Board of Supervisors of the County of Lake or a designee appointed by the board of supervisors who is either an employee of the county or a resident of the county.

(3) Representatives from the tribes in the communities impacted by Clear Lake, to be appointed by their respective tribal councils.

(4) The secretary of the agency or his or her designee.

(5) A representative from the Central Valley Regional Water Quality Control Board, to be appointed by that board.

(6) An expert from each of the following areas, to be appointed by the Board of Supervisors of the County of Lake:

(A) Local economic development.

(B) Agriculture.

(C) Environment.

(D) A public water supplier that draws its drinking water supply from Clear Lake.

(b) The members of the committee shall serve at the pleasure of their respective appointing powers.

(c) The members shall serve without compensation, but each of the members shall be reimbursed for his or her actual and necessary expenses incurred in the performance of his or her duties.

(d) The chairperson of the committee shall be the secretary of the agency, or his or her designee.

# §22090. Committee Meetings.

Members of the committee shall meet quarterly for the purposes of discussion, reviewing research, planning, and providing oversight regarding the health of Clear Lake. Research conducted for the committee shall go through a scientific and applied science process. Two meetings per year shall be held in the County of Lake.

#### §22091. Annual Reports.

(a) Beginning January 1, 2019, the committee shall provide an annual report on its activities to the Governor and the appropriate policy committees of the Legislature relating to natural resources and local government.

(b) The first annual report submitted pursuant to subdivision (a) shall identify barriers to improved water quality in Clear Lake, the contributing factors causing the poor water quality, and the threats to wildlife. The report shall include recommendations on solutions to these issues, estimates of cost, and a plan for involving the local, state, and federal governments in funding for and implementation of lake restoration activities.

(c) A report submitted to the Legislature pursuant to this section shall be submitted in compliance with Section 9795 of the Government Code.

#### §22092. Committee Funding.

(a) The committee may receive assistance and funds from public and private sources.

(b) Upon appropriation by the Legislature, the committee may expend funds and award grants to conduct research.

#### DIVISION 43. THE SAFE DRINKING WATER, WATER QUALITY AND SUPPLY, FLOOD CONTROL, RIVER AND COASTAL PROTECTION BOND ACT OF 2006 CHAPTER 1. GENERAL PROVISIONS

#### <u>§75001 – §75009</u>

**§75001.** This Division shall be known and may be cited as the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006.

**§75002.** The people of California find and declare that protecting the state's drinking water and water resources is vital to the public health, the state's economy, and the environment.

**§75002.5.** The people of California further find and declare that the state's waters are vulnerable to contamination by dangerous bacteria, polluted runoff, toxic chemicals, damage from catastrophic floods and the demands of a growing population. Therefore, actions must be taken to ensure safe drinking water and a reliable supply of water for farms, cities and businesses, as well as to protect California's rivers, lakes, streams, beaches, bays and coastal waters, for this and future generations.

**§75003.** The people of California further find and declare that it is necessary and in the public interest to do all of the following:

(a) Ensure that safe drinking water is available to all Californians by:

(1) Providing for emergency assistance to communities with contaminated sources of drinking water.

(2) Assisting small communities in making the improvements needed in their water systems to clean up and protect their drinking water from contamination.

(3) Providing grants and loans for safe drinking water and water pollution prevention projects.

(4) Protecting the water quality of the Sacramento-San Joaquin Delta, a key source of drinking water for 23 million Californians.

(5) Assisting each region of the state in improving local water supply reliability and water quality.

(6) Resolving water-related conflicts, improving local and regional water self-sufficiency and reducing reliance on imported water.

(b) Protect the public from catastrophic floods by identifying and mapping the areas most at risk, inspecting and repairing levees and flood control facilities, and reducing the long-term costs of flood management, reducing future flood risk and maximizing public benefits by planning, designing and implementing multi-objective flood corridor projects.

(c) Protect the rivers, lakes and streams of the state from pollution, loss of water quality, and destruction of fish and wildlife habitat.

(d) Protect the beaches, bays and coastal waters of the state for future generations.

(e) Revitalizing our communities and making them more sustainable and livable by investing in sound land use planning, local parks and urban greening.

**§75003.5.** The people of California further find and declare that the growth in population of the state and the impacts of climate change pose significant challenges. These challenges must be addressed through careful planning and through improvements in land use and water management that both reduce contributions to global warming and improve the adaptability of our water and flood control systems. Improvements include better integration of water supply, water quality, flood control and ecosystem protection, as well greater water use efficiency and conservation to reduce energy consumption.

**§75004.** It is the intent of the people that investment of public funds pursuant to this division should result in public benefits.

**§75005.** As used in this division, the following terms have the following meanings:

(a) "Acquisition" means the acquisition of a fee interest or any other interest in real property including easements, leases and development rights.

(b) "Board" means the Wildlife Conservation Board.

(c) "California Water Plan" means the California Water Plan Update Bulletin 160-05 and subsequent revisions and amendments.

(d) "Delta" means the Sacramento-San Joaquin River Delta.

(e) "Department" means the Department of Water Resources.

(f) "Development" includes, but is not limited to the physical improvement of real property including the construction of facilities or structures.

(g) "Disadvantaged community" means a community with a median household income less than 80% of the statewide average. "Severely disadvantaged community" means a community with a median household income less than 60% of the statewide average.

(h) "Fund" means the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006.

(i) "Interpretation" includes, but is not limited to, a visitor serving amenity that educates and communicates the significance and value of natural, historical, and cultural resources in a way that increases the understanding and enjoyment of these resources and that may utilize the expertise of a naturalist or other specialist skilled at educational interpretation.

(j) "Local conservation corps" means a program operated by a public agency or nonprofit organization that meets the requirements of Section 14406.

(k) "Nonprofit organization" means any nonprofit corporation qualified to do business in California, and qualified under Section 501 (3) of the Internal Revenue Code.

(l) "Preservation" means rehabilitation, stabilization, restoration, development, and reconstruction, or any combination of those activities.

(m) "Protection" means those actions necessary to prevent harm or damage to persons, property or natural resources or those actions necessary to allow the continued use and enjoyment of property or natural resources and includes acquisition, development, restoration, preservation and interpretation.

(n) "Restoration" means the improvement of physical structures or facilities and, in the case of natural systems and landscape features includes, but is not limited to, projects for the control of erosion, the control and elimination of exotic species, prescribed burning, fuel hazard reduction, fencing out threats to existing or restored natural resources, road elimination, and other plant and wildlife habitat improvement to increase the natural system value of the property. Restoration projects shall include the planning, monitoring and reporting necessary to ensure successful implementation of the project objectives.

(o) "Secretary" means the Secretary of the Resources Agency.

(p) "State Board" means the State Water Resources Control Board.

**§75009.** The proceeds of bonds issued and sold pursuant to this division shall be deposited in the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006, which is hereby created. Except as specifically provided in this division the money shall be available for appropriation by the Legislature, in the manner and for the purposes set forth in this division in accordance with the following schedule:

(a) The sum of one billion five hundred twenty five million dollars (\$1,525,000,000) for safe drinking water, water quality and other water projects in accordance with the provisions of Chapter 2.

(b) The sum of eight hundred million dollars (\$800,000,000) for flood control projects in accordance with the provisions of Chapter 3.

(c) The sum of sixty five million dollars (\$65,000,000) for statewide water management in accordance with the provisions of Chapter 4.

(d) The sum of nine hundred twenty eight million dollars (\$928,000,000) for the protection of rivers, lakes and streams in accordance with the provisions of Chapter 5.

(e) The sum of four hundred fifty million dollars (\$450,000,000) for forest and wildlife conservation in accordance with the provisions of Chapter 6.

(f) The sum of five hundred forty million dollars (\$540,000,000) for the protection of beaches, bays, and coastal waters and watersheds in accordance with the provisions of Chapter 7.

(g) The sum of five hundred million dollars (\$500,000,000) for state parks and nature education facilities in accordance with Chapter 8.

(h) The sum of five hundred eighty million dollars (\$580,000,000) for sustainable communities and climate change reduction projects in accordance with Chapter 9.

# CHAPTER 2. SAFE DRINKING WATER AND WATER QUALITY PROJECTS

#### <u>§75020 - §75029.5</u>

**§75020.** This chapter is intended to provide the funds necessary to address the most critical water needs of the state including the provision of safe drinking water to all Californians, the protection of water quality and the environment, and the improvement of water supply reliability.

#### §75021.

(a) The sum of ten million dollars (\$10,000,000) shall be available to the Department of Health Services for grants and direct expenditures to fund emergency and urgent actions to ensure that safe drinking water supplies are available to all Californians. Eligible projects include, but are not limited to, the following:

(1) Providing alternate water supplies including bottled water where necessary to protect public health.

(2) Improvements in existing water systems necessary to prevent contamination or provide other sources of safe drinking water including replacement wells.

(3) Establishing connections to an adjacent water system.

(4) Design, purchase, installation and initial operation costs for water treatment equipment and systems.

(b) Grants and expenditures shall not exceed \$250,000 per project.

(c) Direct expenditures for the purposes of this section shall be exempt from contracting and procurement requirements to the extent necessary to take immediate action to protect public health and safety.

**§75022.** The sum of one hundred eighty million dollars (\$180,000,000) shall be available to the Department of Health Services for grants for small community drinking water system infrastructure improvements and related actions to meet safe drinking water standards. Priority shall be given to projects that address chemical and nitrate contaminants, other health hazards and by whether the community is disadvantaged or severely disadvantaged. Special consideration shall be given to small communities with limited financial resources. Eligible recipients include public agencies and incorporated mutual water companies that serve disadvantaged communities. The Department of Health Services may make grants for the purpose of financing feasibility studies and to meet the eligibility requirements for a construction grant. Construction grants shall be limited to \$5,000,000 per project and not more than twenty five percent of a grant may be awarded in advance of actual expenditures. The Department of Health Services may expend up to \$5,000,000 of the funds allocated in this section for technical assistance to eligible communities.

**§75023.** For the purpose of providing the state share needed to leverage federal funds to assist communities in providing safe drinking water, the sum of fifty million dollars (\$50,000,000) shall be available for deposit into the Safe Drinking Water State Revolving Fund (Section 116760.30 of the Health and Safety Code).

**§75024.** For the purpose of providing the state share needed to leverage federal funds to assist communities in making those infrastructure investments necessary to prevent pollution of drinking water sources, the sum of eighty million dollars (\$80,000,000) shall be available for deposit into the State Water Pollution Control Revolving Fund (Section 13477 of the Water Code).

**§75025.** The sum of sixty million dollars (\$60,000,000) shall be available to the Department of Health Services for the purpose of loans and grants for projects to prevent or reduce contamination of groundwater that serves as a source of drinking water. The Department of Health Services shall require repayment for costs that are subsequently recovered from parties responsible for the contamination. The Legislature may enact legislation necessary to implement this section.

#### **§75026.**

(a) The sum of one billion dollars (\$1,000,000,000) shall be available to the department for grants for projects that assist local public agencies to meet the long term water needs of the state including the delivery of safe drinking water and the protection of water quality and the environment. Eligible projects must implement integrated regional water management plans that meet the requirements of this section. Integrated regional water management plans shall identify and address the major water related objectives and conflicts within the region, consider all of the resource management strategies identified in the California Water Plan, and use an integrated, multi-benefit approach to project selection and design. Plans shall include performance measures and monitoring to document progress toward meeting plan objectives. Projects that may be funded pursuant to this section must be consistent with an adopted integrated regional water management plan or its functional equivalent as defined in the department's Integrated Regional Water Management Guidelines, must provide multiple benefits, and must include one or more of the following project elements:

(1) Water supply reliability, water conservation and water use efficiency.

(2) Storm water capture, storage, clean-up, treatment, and management.

(3) Removal of invasive non-native species, the creation and enhancement of wetlands, and the acquisition, protection, and restoration of open space and watershed lands.

(4) Non-point source pollution reduction, management and monitoring.

(5) Groundwater recharge and management projects.

(6) Contaminant and salt removal through reclamation, desalting, and other treatment technologies and conveyance of reclaimed water for distribution to users.

(7) Water banking, exchange, reclamation and improvement of water quality.

(8) Planning and implementation of multipurpose flood management programs.

(9) Watershed protection and management.

(10) Drinking water treatment and distribution.

(11) Ecosystem and fisheries restoration and protection.

(b) The Department of Water Resources shall give preference to proposals that satisfy the following criteria:

(1) Proposals that effectively integrate water management programs and projects within a hydrologic region identified in the California Water Plan; the Regional Water Quality Control Board region or subdivision or other region or sub-region specifically identified by the department.

(2) Proposals that effectively integrate water management with land use planning.

(3) Proposals that effectively resolve significant water-related conflicts within or between regions.

(4) Proposals that contribute to the attainment of one or more of the objectives of the CALFED Bay-Delta Program.

(5) Proposals that address statewide priorities.

(6) Proposals that address critical water supply or water quality needs for disadvantaged communities within the region.

(c) Not more than 5% of the funds provided by this section may be used for grants or direct expenditures for the development, updating or improvement of integrated regional water management plans.

(d) The department shall coordinate the provisions of this section with the program provided in Chapter 8 of Division 26.5 of the Water Code and may implement this section using existing Integrated Regional Water Management Guidelines.

#### **§75027.**

(a) The funding provided in Section 75026 shall be allocated to each hydrologic region as identified in the California Water Plan and listed below. For the South Coast Region, the department shall establish three sub-regions that reflect the San Diego county watersheds, the Santa Ana River watershed, and the Los Angeles-Ventura County watersheds respectively, and allocate funds to those sub-regions. The North and South Lahontan regions shall be treated as one region for the purpose of allocating funds, but the department may require separate regional plans. Funds provided in Section 75026 shall be allocated according to the following schedule:

(1) North Coast	\$37,000,000
(2) San Francisco Bay	\$138,000,000
(3) Central Coast	\$52,000,000
(4) Los Angeles sub-region	\$215,000,000
(5) Santa Ana sub-region	\$114,000,000
(6) San Diego sub-region	\$91,000,000
(7) Sacramento River	\$73,000,000
(8) San Joaquin River	\$57,000,000
(9) Tulare/Kern (Tulare Lake)	\$60,000,000

(10) North/South Lahontan	\$27,000,000
(11) Colorado River Basin	\$36,000,000
(12) Inter-regional/Unallocated	\$100,000,000

(b) The interregional and unallocated funds provided in subdivision (a) may be expended directly or granted by the department to address multi-regional needs or issues of statewide significance.

#### §75028.

(a) The department shall allocate grants on a competitive basis within each identified hydrologic region or sub-region pursuant to Section 75027. The department may establish standards and procedures for the development and approval of local project selection processes within hydrologic regions and sub-regions identified in Section 75027. The department shall defer to approved local project selection, and review projects only for consistency with the purposes of Section 75026.

(b) If a hydrologic region or sub-region identified in Section 75027 does not have any adopted plan that meets the requirements of Section 75026 at the time of the department's grant selection process, the funds allocated to that hydrologic region or sub-region shall not be reallocated to another region but will remain unallocated until such time as an adopted plan from the hydrologic region or sub-region is submitted to the department.

**§75029.** The sum of one hundred thirty million dollars (\$130,000,000) shall be available to the department for grants to implement Delta water quality improvement projects that protect drinking water supplies. The department shall require a cost share from local agencies. Eligible projects are:

(a) Projects that reduce or eliminate discharges of salt, dissolved organic carbon, pesticides, pathogens and other pollutants to the San Joaquin River. Not less than forty million
 (\$40,000,000) shall be available to implement projects to reduce or eliminate discharges of subsurface agricultural drain water from the west side of the San Joaquin Valley for the purpose of improving water quality in the San Joaquin River and the Delta.

(b) Projects that reduce or eliminate discharges of bromide, dissolved organic carbon, salt, pesticides and pathogens from discharges to the Sacramento River.

(c) Projects at Franks Tract and other locations in the Delta that will reduce salinity or other pollutants at agricultural and drinking water intakes.

(d) Projects identified in the June 2005 Delta Region Drinking Water Quality Management Plan, with a priority for design and construction of the relocation of drinking water intake facilities for in-delta water users.

**§75029.5.** The sum of fifteen million dollars (\$15,000,000) shall be available to the state board for grants to public agencies and non-profit organizations for projects that reduce the discharge of pollutants from agricultural operations into surface waters of the state.

# CHAPTER 3. FLOOD CONTROL

# <u>§75030 - §75034</u>

**§75030.** This chapter is intended to provide the funding needed to address short term flood control needs such as levee inspection and evaluation, floodplain mapping and improving the effectiveness of emergency response, and providing funding for critical immediate flood control needs throughout the state. It is also intended to provide a framework to support long term strategies that will require the establishment of more effective levee maintenance programs, better floodplain management and more balanced allocation of liability and responsibility between the federal, state and local governments.

**§75031.** The sum of thirty million dollars (\$30,000,000) shall be available to the department for the purposes of floodplain mapping, assisting local land-use planning, and to avoid or reduce future flood risks and damages. Eligible projects include, but are not limited to:

(a) Mapping floodplains.

- (b) Mapping rural areas with potential for urbanization.
- (c) Mapping and identification of flood risk in high density urban areas.
- (d) Mapping flood hazard areas.
- (e) Updating outdated floodplain maps.
- (f) Mapping of riverine floodplains, alluvial fans, and coastal flood hazard areas.
- (g) Collecting topographic and hydrographic survey data.

**§75032.** The sum of two hundred seventy five million dollars (\$275,000,000) shall be available to the department for the following flood control projects:

(a) The inspection and evaluation of the integrity and capability of existing flood control project facilities and the development of an economically viable flood control rehabilitation plan.

(b) Improvement, construction, modification, and relocation of flood control levees, weirs, or bypasses including repair of critical bank and levee erosion.

(c) Projects to improve the department's emergency response capability.

(d) Environmental mitigation and infrastructure relocation costs related to projects under this section.

(e) To the extent feasible, the department shall implement a multi-objective management approach for floodplains that would include, but not be limited to, increased flood protection, ecosystem restoration, and farmland protection.

**§75032.4.** Notwithstanding Section 13340 of the Government Code, the funds allocated in Sections 75031 and 75032 are continuously appropriated to the department for the purposes of those sections.

**§75032.5.** The sum of forty million dollars (\$40,000,000) shall be available to the department for Flood Protection Corridor projects that are consistent with Water Code Section 79037.

**§75033.** The sum of two hundred seventy five million dollars (\$275,000,000) shall be available to the department for flood control projects in the Delta designed to increase the department's ability to respond to levee breaches and to reduce the potential for levee failures. The funds provided by this section shall be available for the following purposes:

(a) Projects to improve emergency response preparedness.

(b) Local assistance under the delta levee maintenance subventions program under Part 9 (commencing with Section 12980) of Division 6 of the Water Code.

(c) Special flood protection projects under Chapter 2 (commencing with Section 12310) of Part 4.8 of Division 6 of the Water Code, including projects for the acquisition, preservation, protection and restoration of Delta lands for the purpose of flood control and to meet multiple objectives such as drinking water quality ecosystem restoration and water supply reliability.

(d) All projects shall be subject to the provisions of Water Code Section 79050.

**§75034.** The sum of one hundred eighty million dollars (\$180,000,000) shall be available to the department for the purposes of funding the state's share of the nonfederal costs of flood control and flood prevention projects for which assurances required by the federal government have been provided by a local agency and which have been authorized under the State Water Resources Law of 1945 (Chapter 1 (commencing with Section 12570) and Chapter 2 (commencing with Section 12639) of Part 6 of Division 6 of the Water Code), the Flood Control Law of 1946 (Chapter 3 (commencing with Section 12800) of Part 6 of Division 6 of the Water Code), and the California Watershed Protection and Flood Prevention Law (Chapter 4 (commencing with Section 12850) of Part 6 of Division 6 of the Water Code), including the credits and loans to local agencies pursuant to Sections 12585.3 and 12585.4, subdivision (d) of Section 12585.5, and Sections 12866.3 and 12866.4 of the Water Code, and to implement Chapter 3.5 (commencing with Section 12840) of Part 6 of Division 6 of the Water Code. Projects eligible for funding pursuant to this section shall comply with the requirements of AB 1147 (Statutes of 2000, Chapter 1071).

# CHAPTER 4. STATEWIDE WATER PLANNING AND DESIGN

#### <u>§75041.</u>

The sum of sixty five million dollars (\$65,000,000) shall be available to the department for planning and feasibility studies related to the existing and potential future needs for California's water supply, conveyance and flood control systems. The studies shall be designed to promote integrated, multi-benefit approaches that maximize the public benefits of the overall system including protection of the public from floods, water supply reliability, water quality, and fish, wildlife and habitat protection and restoration. Projects to be funded include:

(a) Evaluation of climate change impacts on the state's water supply and flood control systems and the development of system redesign alternatives to improve adaptability and public benefits.

(b) Surface water storage planning and feasibility studies pursuant to the CALFED Bay-Delta Program.

(c) Modeling and feasibility studies to evaluate the potential for improving flood protection and water supply through coordinating groundwater storage and reservoir operations.

(d) Other planning and feasibility studies necessary to improve the integration of flood control and water supply systems.

# CHAPTER 5. PROTECTION OF RIVERS, LAKES AND STREAMS

#### **§75050 - §75050.4**

**§75050.** The sum of nine hundred twenty eight million dollars (\$928,000,000) shall be available for the protection and restoration of rivers, lakes and streams, their watersheds and associated land, water, and other natural resources in accordance with the following schedule:

(a) The sum of one hundred eighty million dollars (\$180,000,000) shall be available to the Department of Fish and Game, in consultation with the department, for Bay-Delta and coastal fishery restoration projects. Of the funds provided in this section, up to \$20,000,000 shall be available for the development of a natural community conservation plan for the CALFED Bay-Delta Program and up to \$45,000,000 shall be available for coastal salmon and steelhead fishery restoration projects that support the development and implementation of species recovery plans and strategies for salmonid species listed as threatened or endangered under state or federal law.

(b) The sum of ninety million dollars (\$90,000,000) shall be available for projects related to the Colorado River in accordance with the following schedule:

(1) Not more than \$36,000,000 shall be available to the department for water conservation projects that implement the Allocation Agreement as defined in the Quantification Settlement Agreement.

(2) Not more than \$7,000,000 shall be available to the Department of Fish and Game for projects to implement the Lower Colorado River Multi-Species Habitat Conservation Plan.
(3) \$47,000,000 shall be available for deposit into the Salton Sea Restoration Fund.

(c) The sum of fifty four million dollars (\$54,000,000) shall be available to the department for development, rehabilitation, acquisition, and restoration costs related to providing public access to recreation and fish and wildlife resources in connection with state water project obligations pursuant to Water Code Section 11912.

(d) The sum of seventy two million dollars (\$72,000,000) shall be available to the secretary for projects in accordance with the California River Parkways Act of 2004 Chapter 3.8 (commencing with Section 5750) of Division 5. Up to \$10,000,000 may be transferred to the Department of Conservation for the Watershed Coordinator Grant Program.

(e) The sum of eighteen million dollars (\$18,000,000) shall be available to the department for the Urban Streams Restoration Program pursuant to Water Code Section 7048.

(f) The sum of thirty six million dollars (\$36,000,000) shall be available for river parkway projects to the San Joaquin River Conservancy.

(g) The sum of seventy two million dollars (\$72,000,000) shall be available for projects within the watersheds of the Los Angeles and San Gabriel Rivers according to the following schedule:

(1) \$36,000,000 to the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy pursuant to Division 22.8 (commencing with Section 32600).

(2) \$36,000,000 to the Santa Monica Mountains Conservancy for implementation of watershed protection activities throughout the watershed of the Upper Los Angeles River pursuant to Section 79508 of the Water Code.

(h) The sum of thirty six million dollars (\$36,000,000) shall be available for the Coachella Valley Mountains Conservancy.

(i) The sum of forty five million dollars (\$45,000,000) shall be available for projects to expand and improve the Santa Ana River Parkway. Project funding shall be appropriated to the State Coastal Conservancy for projects developed in consultation with local government agencies participating in the development of the Santa Ana River Parkway. Of the amount provided in this paragraph the sum of thirty million dollars (\$30,000,000) shall be equally divided between projects in Orange, San Bernardino and Riverside Counties.

(j) The sum of fifty four million dollars (\$54,000,000) shall be available for the Sierra Nevada Conservancy.

(k) The sum of thirty six million dollars (\$36,000,000) shall be available for the California Tahoe Conservancy.

(1) The sum of forty five million dollars (\$45,000,000) shall be available to the California Conservation Corps for resource conservation and restoration projects and for facilities acquisition, development, restoration, and rehabilitation and for grants and state administrative costs, in accordance with the following schedule:

(1) The sum of twenty five million dollars (\$25,000,000) shall be available for projects to improve public safety and improve and restore watersheds including regional and community fuel load reduction projects on public lands, and stream and river restoration projects. Not less than 50% of these funds shall be in the form of grants to local conservation corps.

(2) The sum of twenty million dollars (\$20,000,000) shall be available for grants to local conservation corps for acquisition and development of facilities to support local conservation corps programs, and for local resource conservation activities.

(m) The sum of ninety million dollars (\$90,000,000) to the state board for matching grants to local public agencies for the reduction and prevention of stormwater contamination of rivers, lakes, and streams. The Legislature may enact legislation to implement this subdivision.

(n) The sum of one hundred million dollars (\$100,000,000) shall be available to the secretary for the purpose of implementing a court settlement to restore flows and naturally-reproducing and self-sustaining populations of salmon to the San Joaquin River between Friant Dam and the Merced River. These funds shall be available for channel and structural improvements, and related research pursuant to the court settlement. The secretary is authorized to enter into a cost-sharing agreement with the United States Secretary of the Interior and other parties, as necessary, to implement this provision.

#### §75050.2.

(a) The state board shall develop project selection and evaluation guidelines for the allocation of funds made available pursuant to subdivision (m) of Section 75050. Upon appropriation, the funds shall be available for matching grants to local public agencies, not to exceed five million dollars (\$5,000,000) per project, for projects to achieve any of the following purposes in accordance with the requirements of that subdivision:

(1) Complying with total maximum daily load requirements established pursuant to Section 303(d) of the Clean Water Act (33 U.S.C. Sec. 1313(d)) and this division where pollutant loads have been allocated to stormwater, including, but not limited to, metals, pathogens, and trash pollutants.

(2) Assistance in implementing low-impact development and other onsite and regional practices, on public and private lands, that seek to maintain predevelopment hydrology for existing and new development and redevelopment projects. Projects funded pursuant to this paragraph shall be designed to infiltrate, filter, store, evaporate, or retain runoff in close proximity to the source of water.

(3) Implementing treatment and source control practices to meet design and performance standard requirements for new development.

(4) Treating and recycling stormwater discharge.

(5) Implementing improvements to combined municipal sewer and stormwater systems.

(6) Implementing best management practices, and other measures, required by municipal stormwater permits issued by a California regional water quality control board or the state board.

(7) Assessing project effectiveness, including, but not limited to, monitoring receiving water quality, determining pollutant load reductions, and assessing improvements in stormwater discharge water quality.

#### (b):

(1) For the purpose of implementing subdivision (a), the state board shall give preference to a project that does one or more of the following:

(A) Supports sustained, long-term water quality improvements.

(B) Is coordinated or consistent with any applicable integrated regional water management plan.

(2) The allocation of funds pursuant to this section shall be consistent with water quality control plans and Section 75072.

(c) The state board shall require grant recipients for projects described in subdivision (a) to assess and report on project effectiveness, which may include monitoring receiving water quality, determining pollutant load reductions, and assessing improvements in stormwater discharge water quality resulting from project implementation.

**§75050.4.** The state board and the department shall consult with each other, as necessary, with regard to the development of project selection and evaluation guidelines for the following financial assistance programs that are directed, in whole or in part, for municipal stormwater management, to avoid duplication and maximize water quality benefits:

(a) Section 5096.827.

(b) Subdivision (a) of Section 75026.

(c) Subdivision (m) of Section 75050.

(d) Subdivision (a) of Section 75060.

# CHAPTER 6. FOREST AND WILDLIFE CONSERVATION §75055.

The sum of four hundred fifty million dollars (\$450,000,000) shall be available for the protection and conservation of forests and wildlife habitat according to the following schedule:

(a) Notwithstanding Section 13340 of the Government Code, the sum of one hundred eighty million dollars (\$180,000,000) is continuously appropriated to the board for forest conservation and protection projects. The goal of this grant program is to promote the ecological integrity and economic stability of California's diverse native forests for all their public benefits through forest conservation, preservation and restoration of productive managed forest lands, forest reserve areas, redwood forests and other forest types, including the conservation of water resources and natural habitats for native fish, wildlife and plants found on these lands.

(b)

(1) Notwithstanding Section 13340 of the Government Code, the sum of one hundred thirty five million dollars (\$135,000,000) is hereby continuously appropriated to the board for the development, rehabilitation, restoration, acquisition and protection of habitat that accomplishes one or more of the following objectives:

(A) Promotes the recovery of threatened and endangered species.

(B) Provides corridors linking separate habitat areas to prevent fragmentation.

(C) Protects significant natural landscapes and ecosystems such as old growth redwoods, mixed conifer forests and oak woodlands, riparian and wetland areas, and other significant habitat areas.

(D) Implements the recommendations of California Comprehensive Wildlife Strategy, as submitted October 2005 to the United States Fish and Wildlife Service.

(2) Funds authorized by this subdivision may be used for direct expenditures or for grants and for related state administrative costs, pursuant to the Wildlife Conservation Law of 1947, Chapter 4 (commencing with Section 1300) of Division 2 of the Fish and Game Code, the Oak Woodland Conservation Act, Article 3.5 (commencing with Section 1360) of Chapter 4 of Division 2 of the Fish and Game Code, and the California Rangeland, Grazing Land and Grassland Protection Act, commencing with Section 10330 of Division 10.4. Funds scheduled in this subdivision may be used to prepare management plans for properties acquired by the Wildlife Conservation Board and for the development of scientific data, habitat mapping and other research information necessary to determine the priorities for restoration and acquisition statewide.

(3) Up to twenty five million dollars (\$25,000,000) may be granted to the University of California for the Natural Reserve System for matching grants for land acquisition and for the construction and development of facilities that will be used for research and training to improve the management of natural lands and the preservation of California's wildlife resources.

(c) The sum of ninety million dollars (\$90,000,000) shall be available to the board for grants to implement or assist in the establishment of Natural Community Conservation Plans, Chapter 10 (commencing with Section 2800) of Division 3 of the Fish and Game Code.

(d) The sum of forty five million dollars (\$45,000,000) shall be available for the protection of ranches, farms, and oak woodlands according the following schedule:

(1) Grazing land protection pursuant to the California Rangeland, Grazing Land and Grassland Protection Act, commencing with Section 10330 of Division 10.4 ...\$15,000,000.

(2) Oak Woodland Preservation pursuant to Article 3.5 (commencing with Section 1360) of Chapter 4 of Division 2 of the Fish and Game Code ...\$15,000,000.

(3) Agricultural land preservation pursuant to the California Farmland Conservancy Program Act of 1995, Article 1 (commencing with Section 10200) of Division 10.2 ...\$10,000,000.

(4) To the board for grants to assist farmers in integrating agricultural activities with ecosystem restoration and wildlife protection ...\$5,000,000.

# CHAPTER 7. PROTECTION OF BEACHES, BAYS AND COASTAL WATERS

#### <u>§75060.</u>

The sum of five hundred forty million dollars (\$540,000,000) shall be available for the protection of beaches, bays and coastal waters and watersheds, including projects to prevent contamination and degradation of coastal waters and watersheds, projects to protect and restore the natural habitat values of coastal waters and lands, and projects and expenditures to promote access to and enjoyment of the coastal resources of the state, in accordance with the following schedule:

(a) The sum of ninety million dollars (\$90,000,000) shall be available to the state board for the purpose of matching grants for protecting beaches and coastal waters from pollution and toxic contamination pursuant to the Clean Beaches Program, Chapter 3 (commencing with Section 30915) of Division 20.4. Not less than \$35,000,000 shall be for grants to local public agencies to assist those agencies to comply with the discharge prohibition into Areas of Special Biological Significance contained in the California Ocean Plan. Not less than 20% of the funds allocated by this subdivision shall be available to the Santa Monica Bay Restoration Commission.

(b) The sum of one hundred thirty five million dollars (\$135,000,000) shall be available for the State Coastal Conservancy for expenditure pursuant to Division 21.

(c) The sum of one hundred eight million dollars (\$108,000,000)shall be available for the San Francisco Bay Area Conservancy Program pursuant to Chapter 4.5 of Division 21. Not less than 20% of the funds allocated by this paragraph shall be expended on projects in watersheds draining directly to the Pacific Ocean.(d) The sum of forty five million dollars (\$45,000,000) for the protection of the Santa Monica Bay and its watersheds shall be available as follows:

(1) To the Santa Monica Mountains Conservancy pursuant to Division 23 (commencing with Section 33000) ...\$20,000,000.

(2) To the Baldwin Hills Conservancy for the protection of the Ballona Creek/Baldwin Hills watershed ...\$10,000,000.

(3) To the Rivers and Mountains Conservancy...\$15,000,000.

(e) The sum of forty five million dollars (\$45,000,000) for the protection of Monterey Bay and its watersheds shall be available to the State Coastal Conservancy.

(f) The sum of twenty seven million dollars (\$27,000,000) for the protection of San Diego Bay and adjacent watersheds shall be available to the State Coastal Conservancy.

(g) The sum of ninety million dollars (\$90,000,000) shall be allocated to the California Ocean Protection Trust Fund (Chapter 4 (commencing with Section 35650) of Division 26.5) and available for the purposes of projects consistent with Section 35650. Priority projects shall include the development of scientific data needed to adaptively manage the state's marine resources and reserves, including the development of marine habitat maps, the development and implementation of projects to foster sustainable fisheries using loans and grants, and the development and implementation of projects to conserve marine wildlife.

# **CHAPTER 8. PARKS AND NATURE EDUCATION FACILITIES**

<u>§75063.</u> The sum of five hundred million dollars (\$500,000,000) shall be available to provide public access to the resources of the State of California, including its rivers, lakes and streams, its beaches, bays and coastal waters, to protect those resources for future generations, and to increase public understanding and knowledge of those resources, in accordance with the following schedule:

(a) The sum of four hundred million dollars (\$400,000,000) shall be available to the Department of Parks and Recreation for development, acquisition, interpretation, restoration and rehabilitation of the state park system and its natural, historical, and visitor serving resources. The Department of Parks and Recreation shall include the following goals in setting spending priorities for the funds appropriated pursuant to this section:

(1) The restoration, rehabilitation and improvement of existing state park system lands and facilities.

(2) The expansion of the state park system to reflect the growing population and shifting population centers and needs of the state.

(3) The protection of representative natural resources based on the criteria and priorities identified in Section 75071.

(b) The sum of one hundred million dollars (\$100,000,000) shall be available to the Department of Parks and Recreation for grants for nature education and research facilities and equipment to non-profit organizations and public institutions, including natural history museums, aquariums, research facilities and botanical gardens. Eligible institutions include those that combine the study of natural science with preservation, demonstration and education programs that serve diverse populations, institutions that provide collections and programs related to the relationship of Native American cultures to the environment, and institutions for marine wildlife conservation research. Grants may be used for buildings, structures and exhibit galleries that present the collections to inspire and educate the public and for marine wildlife conservation research equipment and facilities.

# CHAPTER 9. SUSTAINABLE COMMUNITIES AND CLIMATE CHANGE REDUCTION

#### <u>§75065 - §75066</u>

**§75065**. The sum of five hundred eighty million dollars (\$580,000,000) shall be available for improving the sustainability and livability of California's communities through investment in natural resources. The purposes of this chapter include reducing urban communities' contribution to global warming and increasing their adaptability to climate change while improving the quality of life in those communities. Funds shall be available in accordance with the following schedule:

(a) The sum of ninety million dollars (\$90,000,000) shall be available for urban greening projects that reduce energy consumption, conserve water, improve air and water quality, and provide other community benefits. Priority shall be given to projects that provide multiple benefits, use existing public lands, serve communities with the greatest need, and facilitate joint use of public resources and investments including schools. Implementing legislation shall provide for planning grants for urban greening programs. Not less than \$20,000,000 shall be available for urban forestry projects pursuant to the California Urban Forestry Act, Chapter 2 (commencing with Section 4799.06) of Part 2.5 of Division 1.

(b) The sum of four hundred million dollars (\$400,000,000) shall be available to the Department of Parks and Recreation for competitive grants for local and regional parks. Funds provided in this subdivision may be allocated to existing programs or pursuant to legislation enacted to implement this subdivision, subject to the following considerations:

(1) Acquisition and development of new parks and expansion of overused parks that provide park and recreational access to underserved communities shall be given preference.

(2) Creation of parks in neighborhoods where none currently exist shall be given preference.

(3) Outreach and technical assistance shall be provided to underserved communities to encourage full participation in the program or programs.

(4) Preference shall be given to applicants that actively involve community based groups in the selection and planning of projects.

(5) Projects will be designed to provide efficient use of water and other natural resources.

(c) The sum of ninety million dollars (\$90,000,000) shall be available for planning grants and planning incentives, including revolving loan programs and other methods to encourage the development of regional and local land use plans that are designed to promote water conservation, reduce automobile use and fuel consumption, encourage greater infill and compact development, protect natural resources and agricultural lands, and revitalize urban and community centers.

**§75066.** Appropriation of the funds provided in subdivisions (a) and (c) of Section 75065 may only be made upon enactment of legislation to implement that subdivision.

# **CHAPTER 10. MISCELLANEOUS PROVISIONS**

#### <u>§75070 - §75079</u>

**§75070.** Every proposed activity or project to be financed pursuant to this division shall be in compliance with the California Environmental Quality Act, Division 13 (commencing with Section 21000).

**§75070.4.** Acquisitions of real property pursuant to Chapters 5, 6, 7, 8, and 9 shall be from willing sellers.

**§75070.5.** Not more than 5% of the funds allocated to any program in this division may be used to pay the costs incurred in the administration of that program.

**§75071.** In evaluating potential projects that include acquisition or restoration for the purpose of natural resource protection, the Department of Parks and Recreation, the board, and the State Coastal Conservancy shall give priority to projects that demonstrate one or more of the following characteristics:

(a) Landscape/Habitat Linkages: properties that link to, or contribute to linking, existing protected areas with other large blocks of protected habitat. Linkages must serve to connect existing protected areas, facilitate wildlife movement or botanical transfer, and result in sustainable combined acreage.

(b) Watershed Protection: projects that contribute to long-term protection of and improvement to the water and biological quality of the streams, aquifers, and terrestrial resources of priority watersheds of the major biological regions of the state as identified by the Resources Agency.

(c) Properties that support relatively large areas of under-protected major habitat types.

(d) Properties that provide habitat linkages between two or more major biological regions of the state.

(e) Properties for which there is a non-state matching contribution toward the acquisition, restoration, stewardship or management costs. Matching contributions can be either monetary or in the form of services, including volunteer services.

(f) At least fourteen days before approving an acquisition project funded by this division, an agency subject to this section shall submit to the Resources Agency and post on its website an explanation as to whether and how the proposed acquisition meets criteria established in this section.

**§75071.5.** The Department of Parks and Recreation, the board, and the State Coastal Conservancy shall work with the United States Department of Defense to coordinate the development of buffer areas around military facilities that facilitate the continued operation of those facilities and promote the conservation and recreation goals of the state. To the extent consistent with this division, agencies may provide funding to support projects that meet the purposes of this section.

**§75072.** Up to 10 percent of funds allocated for each program funded by this division may be used to finance planning and monitoring necessary for the successful design, selection, and implementation of the projects authorized under that program. This provision shall not otherwise restrict funds ordinarily used by an agency for "preliminary plans," "working drawings," and "construction" as defined in the Annual Budget Act for a capital outlay project or grant project. Water quality monitoring shall be integrated into the Surface Water Ambient Monitoring Program administered by the state board.

**§75072.5.** For the purposes of Section 75060(e), "Monterey Bay and its watersheds" shall be considered to be watersheds of those rivers and streams in Santa Cruz and Monterey Counties flowing to the Monterey Bay southward to, and including, the Carmel River watershed.

**§75072.6.** For purposes of Section 75060(f), "San Diego Bay and adjacent watersheds" includes the coastal and bay watersheds within San Diego County.

**§75072.7.** For purposes of Section 75060(d), "Santa Monica Bay and watershed" includes the coastal and bay watersheds in Ventura and Los Angeles Counties from Calleguas Creek southward to the San Gabriel River.

**§75073.** Funds scheduled in Chapter 5, 6, 7 and 8 of this division that are not designated for competitive grant programs may also be used for the purposes of reimbursing the General Fund, pursuant to the Natural Heritage Preservation Tax Credit Act of 2000 (Division 28 (commencing with Section 37000)).

**§75074.** In enacting Chapters 5, 6, 7 and 8 of this division it is the intent of the people that when a project or program is funded herein, funds for such program or project may be used to the full extent authorized by the statute governing the program or conservancy receiving such funds.

**§75075.** The body awarding any contract for a public works project financed in any part from funds made available pursuant to this division shall adopt and enforce, or contract with a third party to enforce, a labor compliance program pursuant to subdivision (b) of Labor Code Section 1771.5 for application to that public works project.

**§75076.** Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code does not apply to the development and adoption of program guidelines and selection criteria adopted pursuant to this division.

**§75077.** Funds provided pursuant to this division, and any appropriation or transfer of those funds, shall not be deemed to be a transfer of funds for the purposes of Chapter 9 (commencing with Section 2780) of Division 3 of the Fish and Game Code.

**§75078.** The Secretary shall provide for an independent audit of expenditures pursuant to this division to ensure that all moneys are expended in accordance with the requirements of this division. The secretary shall publish a list of all program and project expenditures pursuant to this division not less than annually, in written form, and shall post an electronic form of the list on the Resources Agency's Internet Website.

**§75079.** The Secretary shall appoint a citizen advisory committee to review the annual audit and to identify and recommend actions to ensure that the intent and purposes of this division are met by the agencies responsible for implementation of this division.

# **CHAPTER 11. FISCAL PROVISIONS**

#### <u>§75080 - §75090</u>

**§75080.** Bonds in the total amount of five billion three hundred and eighty eight million dollars (\$5,388,000,000), not including the amount of any refunding bonds issued in accordance with Section 75088, or so much thereof as is necessary, may be issued and sold to be used for carrying out the purposes set forth in this division and to be used to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bond proceeds shall be deposited in the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006 created by Section 75009. The bonds shall, when sold, be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal of and interest on the bonds as they become due and payable.

**§75081.** The bonds authorized by this division shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law, Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code, and all provisions of that law shall apply to the bonds and to this division and are hereby incorporated in this division by this reference as though fully set forth in this division.

#### **§75082.**

(a) Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this division, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Finance Committee is hereby created. For purposes of this division, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Finance Committee is "the committee" as that term is used by the State General Obligation Bond Law. The committee shall consist of the Controller, the Director of Finance, and the Treasurer, or their designated representatives. The Treasurer shall serve as chairperson of the committee. A majority of the committee may act for the committee.

(b) For purposes of this chapter and the State General Obligation Bond Law, the secretary is designated as "the board."

**§75083.** The committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this division in order to carry out the actions specified in this division and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.

**§75084.** There shall be collected annually in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds maturing each year, and it is the duty of all officers charged by law with any duty in regard to the collection of the revenue to do so and perform each and every act that is necessary to collect that additional sum.

**§75085.** Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund, for purposes of this division, an amount that will equal the total of the following:

(a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this division, as the principal and interest become due and payable.

(b) The sum which is necessary to carry out the provisions of Section 75086, appropriated without regard to fiscal years.

**§75086.** For the purposes of carrying out this division, the Director of Finance may authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds that have been authorized to be sold for the purpose of carrying out this division. Any amounts withdrawn shall be deposited in the fund. Any money made available under this section shall be returned to the General Fund, plus the interest that the amounts would have earned in the Pooled Money Investment Account, from money received from the sale of bonds that would otherwise be deposited in that fund.

**§75087.** All money derived from premium and accrued interest on bonds sold shall be reserved and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.

**§75088.** Any bonds issued or sold pursuant to this division may be refunded by the issuance of refunding bonds in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code. Approval by the electors of the state for the issuance of the bonds shall include approval of the issuance of any bonds issued to refund any bonds originally issued or any previously issued refunding bonds.

**§75090.** The people of California hereby find and declare that inasmuch as the proceeds from the sale of bonds authorized by this division are not "proceeds of taxes" as that term is used in Article XIIIB of the California Constitution, the disbursement of these proceeds is not subject to the limitation imposed by that article.

#### CHAPTER 12. IMPLEMENTATION PROVISIONS §75100. Requirement for project solicitation and evaluation guidelines.

(a)

(1) Each state agency disbursing a competitive grant pursuant to this division shall develop project solicitation and evaluation guidelines. The guidelines may include a limitation on the size of a competitive grant to be awarded.

(2) Prior to disbursing a competitive grant, each state agency shall conduct at least one public meeting to consider public comments prior to finalizing the guidelines. Each state agency shall publish the draft solicitation and evaluation guidelines on its Internet Web site at least 30 days before the public meetings. Meetings shall be held at geographically appropriate locations. Upon adoption, each state agency shall transmit copies of the guidelines to the fiscal committees and the appropriate policy committees of the Legislature. To the extent feasible, each state agency shall provide outreach to disadvantaged communities to promote access and participation in those meetings.

(3) The guidelines may include a requirement for the applicant to illustrate an ongoing commitment of financial resources, unless the purposes of awarding a grant financed by this division is to assist a disadvantaged community.

(4) The guidelines shall require a new grant solicitation for each funding cycle. Each funding cycle shall consider only those applications received as a part of the solicitation for that funding cycle.

(b) Notwithstanding subdivision (a), a state agency, in lieu of adopting guidelines pursuant to subdivision (a), may use guidelines existing on January 1, 2007, and those guidelines as periodically amended thereafter.

# §75101. Requirement for CDPH for Section 75025.

(a) For the purposes of implementing Section 75025, the State Department of Public Health shall do all of the following:

(1) Develop guidelines pursuant to Section 75100 in collaboration with the Department of Toxic Substances Control and the state board.

(2) In collaboration with the Department of Toxic Substances Control and the state board, develop and adopt regulations governing the repayment of costs that are subsequently recovered from parties responsible for the contamination.

(b) For the purposes of implementing subdivision (a) of Section 75050, the Department of Fish and Game, when funding a natural community conservation plan, shall fund only the development of a natural community conservation plan that is consistent with the Natural Community Conservation Planning Act (Chapter 10 (commencing with Section 2800) of Division 3 of the Fish and Game Code).

(c) The San Francisco Bay Area Conservancy may use the funds made available pursuant to subdivision (c) of Section 75060 to restore the salt ponds in the south San Francisco Bay and to create trails and visitor facilities for public use in that area.

#### §75102. Requirement for Notification of Native American tribes.

Before the adoption of a negative declaration or environmental impact report required under Section 75070, the lead agency shall notify the proposed action to a California Native American tribe, which is on the contact list maintained by the Native American Heritage Commission, if that tribe has traditional lands located within the area of the proposed project.

#### §75103. Legislature's intent for funding.

It is the intent of the Legislature that any public funds made available by this division to investor-owned utilities regulated by the Public Utilities Commission should be for the benefit of the ratepayers or the public and not the investors pursuant to oversight by the Public Utilities Commission.

#### §75104. Technical assistance.

State agencies that are authorized to award a loan or grant financed by this division shall provide technical assistance with regard to the preparation of an application for a loan or grant in a manner that, among other things, addresses the needs of economically disadvantaged communities.

# CHAPTER 13. STRATEGIC GROWTH COUNCIL AND CLIMATE CHANGE REDUCTION

# §75120. Definitions

For purposes of this chapter, the following definitions shall apply:

(a) "Council" means the Strategic Growth Council established pursuant to Section 75121.

(b) "Regional plan" means either of the following:

(1) A long-range transportation plan developed pursuant to Section 134(g) of Title 23 of the United States Code and any applicable state requirements.

(2) A regional blueprint plan, which is a regional plan that implements statutory requirements intended to foster comprehensive planning as defined in Section 65041.1 of, Chapter 2.5 (commencing with Section 65080) of Division 1 of Title 7 of, and Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of, the Government Code. A regional blueprint plan articulates regional consensus and performance outcomes on a more efficient land use pattern that supports improved mobility and reduces dependency on single-occupancy vehicle trips; accommodates an adequate supply of housing for all income levels; reduces impacts on valuable farmland, natural resources, and air quality, including the reduction of greenhouse gas emissions, increases water and energy conservation and efficiency; and promotes a prosperous economy and safe, healthy, sustainable, and vibrant neighborhoods.

#### §75121. Establishment of Strategic Growth Council.

(a) The Strategic Growth Council is hereby established in state government and it shall consist of the Director of State Planning and Research, the Secretary of the Resources Agency, the Secretary for Environmental Protection, the Secretary of Business, Transportation and Housing, the Secretary of California Health and Human Services, and one member of the public to be appointed by the Governor. The public member shall have a background in land use planning, local government, resource protection and management, or community development or revitalization.

(b) Staff for the council shall be reflective of the council's membership.

# §75122. Council Chair.

The members of the council shall elect a chair of the council every two years.

# §75123. Meetings and public input.

(a) The council's meetings shall be open to the public and shall be subject to the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code).

(b) The council may sponsor conferences, symposia, and other public forums, to seek a broad range of public advice regarding local, regional, and natural resource planning, sustainable development, and strategies to reduce and mitigate climate change.

# <u>§75124. Funding.</u>

Of the funds made available pursuant to subdivisions (a) and (c) of Section 75065, the sum of five hundred thousand dollars (\$500,000) is hereby appropriated to the Resources Agency to be used in support of the council and its activities in accordance with this chapter.

#### §75125. Council activities.

The council shall do all of the following:

(a) Identify and review activities and funding programs of member state agencies that may be coordinated to improve air and water quality, improve natural resource protection, increase the availability of affordable housing, improve transportation, meet the goals of the California Global Warming Solutions Act of 2006 (Division 25.5 (commencing with Section 38500) of the Health and Safety Code), encourage sustainable land use planning, and revitalize urban and community centers in a sustainable manner. At a minimum, the council shall review and comment on the five-year infrastructure plan developed pursuant to Article 2 (commencing with Section 13100) of Chapter 2 of Part 3 of Division 3 of the Government Code and the State Environmental Goals and Policy Report developed pursuant to Section 65041 of the Government Code.

(b) Recommend policies and investment strategies and priorities to the Governor, the Legislature, and to appropriate state agencies to encourage the development of sustainable communities, such as those communities that promote equity, strengthen the economy, protect the environment, and promote public health and safety, and is consistent with subdivisions (a) and (c) of Section 75065.

(c) Provide, fund, and distribute data and information to local governments and regional agencies that will assist in developing and planning sustainable communities.

(d) Manage and award grants and loans to support the planning and development of sustainable communities, pursuant to Sections 75127, 75128, and 75129. To implement this subdivision, the council may do all of the following:

(1) Develop guidelines for awarding financial assistance, including criteria for eligibility and additional consideration.

(2) Develop criteria for determining the amount of financial assistance to be awarded. The council shall award a revolving loan to an applicant for a planning project, unless the council determines that the applicant lacks the fiscal capacity to carry out the project without a grant. The council may establish criteria that would allow the applicant to illustrate an ongoing commitment of financial resources to ensure the completion of the proposed plan or project.

(3) Provide for payments of interest on loans made pursuant to this article. The rate of interest shall not exceed the rate earned by the Pooled Money Investment Board.

(4) Provide for the time period for repaying a loan made pursuant to this article.

(5) Provide for the recovery of funds from an applicant that fails to complete the project for which financial assistance was awarded. The council shall direct the State Controller to recover funds by any available means.

(6) Provide technical assistance for application preparation.

(7) Designate a state agency or department to administer technical and financial assistance programs for the disbursing of grants and loans to support the planning and development of sustainable communities, pursuant to Sections 75127, 75128, and 75129.

(e) No later than July 1, 2010, and every year thereafter, provide a report to the Legislature that shall include, but is not limited to, all of the following:

(1) A list of applicants for financial assistance.

(2) Identification of which applications were approved.

(3) The amounts awarded for each approved application.

(4) The remaining balance of available funds.

(5) A report on the proposed or ongoing management of each funded project.

(6) Any additional minimum requirements and priorities for a project or plan proposed in a grant or loan application developed and adopted by the council pursuant to subdivision (c) of Section 75216.

#### §75126. Declaration by application and project or plan.

(a) An applicant shall declare, in the application submitted to the council for financial assistance for a plan or project pursuant to this chapter, the applicant's intention to follow a detailed budget and schedule for the completion of the plan or project. The budget and schedule shall be of sufficient detail to allow the council to assess the progress of the applicant at regular intervals.

(b) A project or plan funded pursuant to this chapter shall meet both of the following criteria:

(1) Be consistent with the state's planning policies pursuant to Section 65041.1 of the Government Code.

(2) Reduce, on as permanent a basis that is feasible, greenhouse gas emissions consistent with the California Global Warming Solutions Act of 2006 (Division 25.5 (commencing with Section 38500) of the Health and Safety Code), and any applicable regional plan.

(c) The council may develop additional minimum requirements and priorities for a project or plan proposed in a grant and loan application, including those related to improving air quality.

# §75127. Financial assistance.

(a) To support the planning and development of sustainable communities, the council shall manage and award financial assistance to a city or county for preparing, adopting, and implementing a general plan or general plan element that is designed to reduce greenhouse gas emissions, promote water conservation, reduce automobile use and fuel consumption, encourage greater infill and compact development, protect natural resources and agricultural lands, and revitalize urban and community centers.

(b) For the purposes of this section, the preparation and adoption of a general plan may include a comprehensive update of a general plan, amendment or adoption of an individual element of a general plan, or any other revision consistent with the intent of Section 75065.

(c) For the purposes of this section, the implementation of a general plan may include amendment or adoption of a specific plan, community plan, zoning ordinance, or any other plan, ordinance, or policy that is consistent with the intent of Section 75065.

(d) The funding provided pursuant to this section for the preparation, adoption, and implementation of a general plan may also include funding any activity necessary to conform a general plan to a regional plan.

#### §75128. Financial assistance for regional plans.

(a) To support the planning and development of sustainable communities, the council shall manage and award financial assistance to a council of governments, metropolitan planning organization, regional transportation planning agency, city, county, or joint powers authority, to develop, adopt or implement a regional plan or other planning instrument consistent with a regional plan that improves air and water quality, improves natural resource protection, increases the availability of affordable housing, improves transportation, meets the goals of the California Global Warming Solutions Act of 2006 (Division 25.5 (commencing with Section 38500) of the Health and Safety Code), and encourages sustainable land use. The financial assistance provided pursuant to this section shall be funded from moneys made available pursuant to subdivision (c) of Section 75065.

(b) In awarding financial assistance pursuant to this section, the council shall give first priority to an application seeking funding to add or enhance elements of a regional plan that are not funded with federal moneys.

#### §75129. Financial assistance for local plans.

(a) To support the planning and development of sustainable communities, the council shall manage and award financial assistance to a city, county, or nonprofit organization for the preparation, planning, and implementation of an urban greening project that provides multiple benefits, including, but not limited to, a decrease in air and water pollution, a reduction in the consumption of natural resources and energy, an increase in the reliability of local water supplies, or an increased adaptability to climate change. An eligible project funded pursuant to this section shall not include a mitigation action that is required under existing law. The financial assistance provided pursuant to this section shall be funded from moneys made available pursuant to subdivision (a) of Section 75065.

(b) The council shall develop minimum requirements for funding eligible projects pursuant to this section, which shall require a project to meet at least one of the following criteria:

(1) Use natural systems, or systems that mimic natural systems, to achieve the benefits identified in subdivision (a).

(2) Create, enhance, or expand community green spaces.

(c) The multiple benefits of a project, may include, but are not limited to, the establishment or enhancement of one or more of the following:

(1) Tree canopy.

(2) Urban forestry.

(3) Local parks and open space.

(4) Greening of existing public lands and structures, including schools.

(5) Multi-objective stormwater projects, including construction of permeable surfaces and collection basins and barriers.

(6) Urban streams, including restoration.

(7) Community, demonstration, or outdoor education gardens and orchards.

(8) Urban heat island mitigation and energy conservation efforts through landscaping and green roof projects.

(9) Nonmotorized urban trails that provide safe routes for both recreation and travel between residences, workplaces, commercial centers, and schools.

(d) The council shall give additional consideration to a funding project pursuant to this section that meets one or more of the following criteria:

(1) The project uses interagency cooperation and integration.

(2) The project uses existing public lands and facilitates use of public resources and investments including schools.

(3) The project is proposed by an economically disadvantaged community.

(e) Up to 25 percent of the moneys allocated pursuant to subdivision (a) of Section 75065 may be used to award revolving loans or grants to a council of governments, countywide authority, a metropolitan planning organization, local government, or nonprofit organization, for the purpose of creating urban greening plans that will serve as the master document guiding and coordinating greening projects in the applicant's jurisdiction. These urban greening plans shall be consistent with the jurisdiction's general plan or regional plan, where one exists.

#### §75130. Limits on council action.

This chapter does not authorize the council to take an action with regard to the exercise of a local government's land use permitting authority.

# WATER CODE

# **GENERAL PROVISIONS**

<u>§22.</u>

"Department," unless otherwise specified, means the Department of Water Resources.

### <u>§25.</u>

"Board," unless otherwise specified, means the State Water Resources Control Board.

# <u>§26.</u>

For the purposes of this code, "recycled water" or "reclaimed water" has the same meaning as recycled water as defined in subdivision (n) of Section 13050.

#### DIVISION 1. GENERAL STATE POWERS OVER WATER CHAPTER 1. GENERAL STATE POLICY §106.3. Statement of Right to Safe, Clean, Affordable, and Accessible Water

(a) It is hereby declared 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.

(b) All relevant state agencies, including the department, the state board, and the State Department of Public Health, shall consider this state policy when revising, adopting, or establishing policies, regulations, and grant criteria when those policies, regulations, and criteria are pertinent to the uses of water described in this section.

(c) This section does not expand any obligation of the state to provide water or to require the expenditure of additional resources to develop water infrastructure beyond the obligations that may exist pursuant to subdivision (b).

(d) This section shall not apply to water supplies for new development.

(e) The implementation of this section shall not infringe on the rights or responsibilities of any public water system.

#### §106.4. Definitions

(a) For the purposes of this section:

(1) "Bottled water" has the same meaning as defined in Section 111070 of the Health and Safety Code.

(2) "Residential development" has the same meaning as defined in Section 65008 of the Government Code.

(3) "Retail water facility" has the same meaning as defined in Section 111070 of the Health and Safety Code.

(4) "Water-vending machine" has the same meaning as defined in Section 111070 of the Health and Safety Code.

(5) "Water hauler" has the same meaning as defined in Section 111070 of the Health and Safety Code.

(b) A city, including a charter city, or a county shall not issue a building permit for the construction of a new residential development where a source of water supply is water transported by a water hauler, bottled water, a water-vending machine, or a retail water facility.

(c) This section does not apply to a residence that will be rebuilt because of a fire or natural disaster.

(d) The Legislature finds and declares that this section addresses a matter of statewide concern and not a municipal affair, as that term is used in Section 5 of Article XI of the California Constitution.

# CHAPTER 2. STATE ADMINISTRATION GENERALLY <u>§174. Declaration</u>

(a) The Legislature hereby finds and declares that in order to provide for the orderly and efficient administration of the water resources of the state, it is necessary to establish a control board that shall exercise the adjudicatory and regulatory functions of the state in the field of water resources.

(b) It is also the intention of the Legislature to combine the water rights, water quality, and drinking water functions of the state government to provide for coordinated consideration of water rights, water quality, and safe and reliable drinking water.

(c) This section shall become operative on July 1, 2014.

#### §189. Declaration

(a) There is hereby established the Office of Sustainable Water Solutions within the state board, which may be administered by the state board as a separate organizational unit or within the state board's divisions or offices.

(b) The purpose of the office is to promote permanent and sustainable drinking water and wastewater treatment solutions to ensure the effective and efficient provision of safe, clean, affordable, and reliable drinking water and wastewater treatment services. In furtherance of this purpose, the office may take, but is not limited to, all of the following actions:

(1) Coordinating with and providing assistance to small drinking water systems, wastewater treatment systems, and disadvantaged communities without drinking water or wastewater treatment systems.

(2) Promoting and facilitating regional drinking water and wastewater projects.

(3) Promoting and facilitating regional solutions, including consolidation of existing water districts, expansion of existing water districts to serve communities unserved by public water systems and wastewater treatment systems, and extension of services to underserved communities and disadvantaged communities.

(4) Advancing the delivery of affordable, safe drinking water to disadvantaged communities throughout the state.

(5) Providing technical assistance to disadvantaged communities and small drinking water systems and wastewater systems, including grant application assistance, outreach and education in vulnerable communities, financial management support, and facilitation of discussions within and between communities.

# CHAPTER 3. WATER SHORTAGE EMERGENCIES <u>§350. Declaration.</u>

The governing body of a distributor of a public water supply, whether publicly or privately owned and including a mutual water company, may declare a water shortage emergency condition to prevail within the area served by such distributor whenever it finds and determines that the ordinary demands and requirements of water consumers cannot be satisfied without depleting the water supply of the distributor to the extent that there would be insufficient water for human consumption, sanitation, and fire protection.

# <u>§351. Hearing.</u>

Excepting in event of a breakage or failure of a dam, pump, pipe line or conduit causing an immediate emergency, the declaration shall be made only after a public hearing at which consumers of such water supply shall have an opportunity to be heard to protest against the declaration and to present their respective needs to said governing board.

# <u>§352. Notice.</u>

Notice of the time and place of hearing shall be published pursuant to Section 6061 of the Government Code at least seven days prior to the date of hearing in a newspaper printed, published, and circulated within the area in which the water supply is distributed, or if there is no such newspaper, in any newspaper printed, published, and circulated in the county in which the area is located.

# §353. Regulatory authority.

When the governing body has so determined and declared the existence of an emergency condition of water shortage within its service area, it shall thereupon adopt such regulations and restrictions on the delivery of water and the consumption within said area of water supplied for public use as will in the sound discretion of such governing body conserve the water supply for the greatest public benefit with particular regard to domestic use, sanitation, and fire protection.

# §354. Priorities authority.

After allocating and setting aside the amount of water which in the opinion of the governing body will be necessary to supply water needed for domestic use, sanitation, and fire protection, the regulations may establish priorities in the use of water for other purposes and provide for the allocation, distribution, and delivery of water for such other purposes, without discrimination between consumers using water for the same purpose or purposes.

# §355. Duration of regulations and restrictions.

The regulations and restrictions shall thereafter be and remain in full force and effect during the period of the emergency and until the supply of water available for distribution within such area has been replenished or augmented.

# §356. Moratorium authority.

The regulations and restrictions may include the right to deny applications for new or additional service connections, and provision for their enforcement by discontinuing service to consumers willfully violating the regulations and restrictions.

# §357. Supersedes other laws except PUC.

If the regulations and restrictions on delivery and consumption of water adopted pursuant to this chapter conflict with any law establishing the rights of individual consumers to receive either specific or proportionate amounts of the water supply available for distribution within such service area, the regulations and restrictions adopted pursuant to this chapter shall prevail over the provisions of such laws relating to water rights for the duration of the period of emergency; provided, however, that any distributor of water which is subject to regulation by the State Public Utilities Commission shall before making such regulations and restrictions effective secure the approval thereof by the Public Utilities Commission.

# §358. Judicial review.

Nothing in this chapter shall be construed to prohibit or prevent review by any court of competent jurisdiction of any finding or determination by a governing board of the existence of an emergency or of regulations or restrictions adopted by such board, pursuant to this chapter, on the ground that any such action is fraudulent, arbitrary, or capricious.

# §359. Drought relief loans.

(a) Notwithstanding any other provision of law that requires an election for the purpose of authorizing a contract with the United States, or for incurring the obligation to repay loans from the United States, and except as otherwise limited or prohibited by the California Constitution, a public water agency, as an alternative procedure to submitting the proposal to an election, upon affirmative vote of four-fifths of the members of the governing body thereof, may apply for, accept, provide for the repayment together with interest thereon, and use funds made available by the federal government pursuant to Public Law 95-18, pursuant to any other federal act subsequently enacted during 1977 that specifically provides emergency drought relief financing, or pursuant to existing federal relief programs receiving budget augmentations in 1977 for drought assistance, and may enter into contracts that are required to obtain those federal funds pursuant to the provisions of those federal acts if the following conditions exist:

(1) The project is undertaken by a state, regional, or local governmental agency.

(2) As a result of the severe drought now existing in many parts of the state, the agency has insufficient water supply needed to meet necessary agricultural, domestic, industrial, recreational, and fish and wildlife needs within the service area or area of jurisdiction of the agency.

(3) The project will develop or conserve water before October 31, 1978, and will assist in mitigating the impacts of the drought.

(4) The agency affirms that it will comply, if applicable, with Sections 1602, 1603, and 1605 of the Fish and Game Code.

(5) The project will be completed on or before the completion date, if any, required under the federal act providing the funding, but not later than March 1, 1978.

(b) Any obligation to repay loans shall be expressly limited to revenues of the system improved by the proceeds of the contract.

(c) No application for federal funds pursuant to this section shall be made on or after March 1, 1978.

(d) Notwithstanding the provisions of this section, a public agency shall not be exempt from any provision of law that requires the submission of a proposal to an election if a petition requesting such an election signed by 10 percent of the registered voters within the public agency is presented to the governing board within 30 days following the submission of an application for federal funds.

(e) Notwithstanding the provisions of this section, a public water agency that applied for federal funds for a project before January 1, 1978, may make application to the Director of the Drought Emergency Task Force for extension of the required completion date specified in paragraph (5) of subdivision (b). Following receipt of an application for extension, the Director of the Drought Emergency Task Force may extend the required completion date specified in paragraph (5) of subdivision (b) to a date not later than September 30, 1978, if the director finds that the project has been delayed by factors not controllable by the public water agency. If the Drought Emergency Task Force is dissolved, the Director of Water Resources shall exercise the authority vested in the Director of the Drought Emergency Task Force of the Drought Emergency Task Force is dissolved.

(f) For the purposes of this section, "public water agency" means a city, district, agency, authority, or any other political subdivision of the state, except the state, that distributes water to the inhabitants thereof, is otherwise authorized by law to enter into contracts or agreements with the federal government for a water supply or for financing facilities for a water supply, and is otherwise required by law to submit those agreements or contracts or any other project involving long-term debt to an election within that public water agency.

# CHAPTER 3.5. WATER CONSERVATION PROGRAMS §375. Procedures.

(a) Notwithstanding any other law, any public entity that supplies water at retail or wholesale for the benefit of persons within the service area or area of jurisdiction of the public entity may, by ordinance or resolution adopted by a majority of the members of the governing body after holding a public hearing upon notice and making appropriate findings of necessity for the adoption of a water conservation program, adopt and enforce a water conservation program to reduce the quantity of water used by those persons for the purpose of conserving the water supplies of the public entity.

(b) With regard to water delivered for other than agricultural uses, the ordinance or resolution may specifically require the installation of water-saving devices that are designed to reduce water consumption. The ordinance or resolution may also encourage water conservation through rate structure design.

(c) For the purposes of this chapter, "public entity" means a city, whether general law or chartered, county, city and county, special district, agency, authority, any other municipal public corporation or district, or any other political subdivision of the state.

(d) For the purposes of this section and subdivisions (b) and (c) of Section 377, "person" means any person, firm, association, organization, partnership, business, trust, corporation, company, or public agency, including any city, county, city and county, district, joint powers authority, or any agency or department of a public agency.

#### §375.5. Water conservation and public education programs.

(a) A public entity may undertake water conservation and public education programs in conjunction with school districts, public libraries, or any other public entity.

(b)

(1) A public entity may undertake water conservation and public education programs using an information booklet or materials for use in connection with the use or transfer of real estate containing up to four residential units. For the purposes of this subdivision, the public entity may use water conservation materials prepared by the department.

(2) It is the intent of the Legislature that on or before December 31, 2007, a review of the program be conducted to obtain information on both of the following matters:

(A) The extent to which public entities have undertaken water conservation and public education programs referred to in paragraph (1).

(B) The extent to which water conservation may be attributable to the implementation of water conservation and public education programs referred to in paragraph (1).

(c) A public entity may take into account any programs undertaken pursuant to this section in a rate structure design implemented pursuant to Section 375.

(d) The Legislature finds and declares that a program undertaken pursuant to this section is in the public interest, serves a public purpose, and will promote the health, welfare, and safety of the people of the state.

# §376. Publications.

(a) Any ordinance or resolution adopted pursuant to Section 375 is effective upon adoption. Within 10 days after its adoption, the ordinance or resolution shall be published pursuant to Section 6061 of the Government Code in full in a newspaper of general circulation that is printed, published, and circulated in the public entity. If there is no such newspaper, the ordinance or resolution shall be posted within 10 days after its adoption in three public places within the public entity.

(b) The publication of ordinances or resolutions, as required by subdivision (a), may be satisfied by either of the following actions:

(1) The public entity may publish a summary of a proposed ordinance, resolution, or proposed amendment to an existing ordinance or resolution. The summary shall be prepared by an official designated by the governing body. A summary shall be published and a certified copy of the full text of the proposed ordinance, resolution, or amendment shall be posted in the office of the governing body at least five days prior to the governing body's meeting at which the proposed ordinance, resolution, or amendment is to be adopted. Within 15 days after adoption of the ordinance, resolution, or amendment, the governing body shall publish a summary of the ordinance, resolution, or amendment and the official shall post in the office of the governing body a certified copy of the full text of the adopted ordinance, resolution, or amendment and the official shall post in the office of the governing body a certified copy of the full text of the adopted ordinance, resolution, or amendment along with the names of those members voting, or amendment along members voting for and against the ordinance, resolution, or amendment and against the ordinance, resolution, or amendment and the official shall post in the office of the governing body a certified copy of the full text of the adopted ordinance, resolution, or amendment along with the names of those members voting for and against the ordinance, resolution, or amendment and against the ordinance, resolution, or amendment along with the names of those members voting for and against the ordinance, resolution, or amendment along with the names of those members voting for and against the ordinance, resolution, or amendment along with the names of those members voting for and against the ordinance, resolution, or amendment.

(2) If the official designated by the governing body determines that it is not feasible to prepare a fair and adequate summary of the proposed or adopted ordinance, resolution, or amendment, and if the governing body so orders, a display advertisement of at least one-quarter of a page in a newspaper of general circulation in the county shall be published at least five days prior to the governing body meeting at which the proposed ordinance, resolution, or amendment is to be adopted. Within 15 days after adoption of the ordinance, resolution, or amendment, a display advertisement of at least one-quarter of a page shall be published. The advertisement shall indicate the general nature of, and provide information about, the proposed or adopted ordinance, resolution, or amendment, including information sufficient to enable the public to obtain copies of the complete text of the ordinance, resolution, or amendment, and the names of those members voting for and against the ordinance, resolution, or amendment.

# §377. Violations.

(a) From and after the publication or posting of any ordinance or resolution pursuant to Section 376, violation of a requirement of a water conservation program adopted pursuant to Section 376 is a misdemeanor. A person convicted under this subdivision shall be punished by imprisonment in the county jail for not more than 30 days, or by fine not exceeding one thousand dollars (\$1,000), or by both.

(b) A court or public entity may hold a person civilly liable in an amount not to exceed ten thousand dollars (\$10,000) for a violation of any of the following:

(1) An ordinance or resolution adopted pursuant to Section 376.

(2) An emergency regulation adopted by the board under Section 1058.5, unless the board regulation provides that it cannot be enforced under this section.

(c) Commencing on the 31st day after the public entity notified a person of a violation described in subdivision (b), the person additionally may be civilly liable in an amount not to exceed ten thousand dollars (\$10,000) plus five hundred dollars (\$500) for each additional day on which the violation continues.

(d) Remedies prescribed in this section are cumulative and not alternative, except that no liability shall be recoverable under this section for any violation of paragraph (2) of subdivision (b) if the board has filed a complaint pursuant to Section 1846 alleging the same violation.

(e) A public entity may administratively impose the civil liability described in subdivisions (b) and (c) after providing notice and an opportunity for a hearing. The public entity shall initiate a proceeding under this subdivision by a complaint issued pursuant to Section 377.5. The public entity shall issue the complaint at least 30 days before the hearing on the complaint and the complaint shall state the basis for the proposed civil liability order.

(f)

(1) In determining the amount of civil liability to assess, a court or public entity shall take into consideration all relevant circumstances, including, but not limited to, the nature and persistence of the violation, the extent of the harm caused by the violation, the length of time over which the violation occurs, and any corrective action taken by the violator.

(2) The civil liability calculated pursuant to paragraph (1) for the first violation of subdivision (b) by a residential water user shall not exceed one thousand dollars (\$1,000) except in extraordinary situations where the court or public entity finds all of the following:

(A) The residential user had actual notice of the requirement found to be violated.

(B) The conduct was intentional.

(C) The amount of water involved was substantial.

(g) Civil liability imposed pursuant to this section shall be paid to the public entity and expended solely for the purposes of this chapter.

(h) An order setting administrative civil liability shall become effective and final upon issuance of the order and payment shall be made. Judicial review of any final order shall be pursuant to Section 1094.5 of the Code of Civil Procedure.

(i) In addition to the remedies prescribed in this section, a public entity may enforce water use limitations established by an ordinance or resolution adopted pursuant to this chapter, or as otherwise authorized by law, by a volumetric penalty in an amount established by the public entity.

# §377.5. Authorized Person

(a) A complaint or citation under subdivision (b) of Section 377 or subdivision (d) of Section 1058.5 may be issued by any of the following:

(1) A code enforcement officer, as defined in Section 829.5 of the Penal Code.

(2) A designee of the chief executive officer of a public entity authorized to adopt an ordinance or resolution under Section 375.

(3) A designee of the chief executive officer of a city, county, or city and county.

(b) For purposes of this section, the term "chief executive officer" includes a city manager, general manager, or other employee of the public entity who is the highest ranking officer or employee, other than a member of a multimember governing body, with responsibility for the operations of the public entity.

#### §378. Water conservation programs.

A public entity may enter into agreements with other public entities, businesses, community associations, or private entities to provide water conservation services and measures and materials for implementing water conservation programs adopted pursuant to this chapter.

# **CHAPTER 6. WATER REUSE**

# §461. Declaration.

It is hereby declared that the primary interest of the people of the state in the conservation of all available water resources requires the maximum reuse of reclaimed water in the satisfaction of requirements for beneficial uses of water.

# §462. Investigation of availability and quality.

The department shall conduct studies and investigations on the availability and quality of wastewater and the uses of reclaimed water for beneficial purposes, including, but not limited to, groundwater recharge, municipal and industrial use, irrigation use, and cooling for thermal electric power plants.

# §463. Investigation of technology.

The department shall study and investigate the technology of the reuse of reclaimed water and further the development of the technology of the reclamation of water.

# §465. Assistance.

The department may assist local agencies and public utilities providing water service in applying for, and in obtaining approval of, federal and state funding and permits for cost-effective water reclamation projects and shall confer and cooperate with the board during the application and approval process.

# **CHAPTER 8. WATER MEASUREMENT**

#### Article 1. Short Title §500. Title. This shorter shall be known

This chapter shall be known and may be cited as the Water Measurement Law.

#### *Article 2. Definitions* §510. Article provisions.

Unless the context otherwise requires, the provisions of this article govern the construction of this chapter.

# §511. Definitions application to variants.

The definition of a word applies to any of its variants.

#### §512. Water purveyor.

"Water purveyor" means any person who furnishes water service to another person.

#### <u>§513. Person.</u>

"Person" means any individual, firm, association, partnership, corporation, or public entity of any kind.

# §514. Public entity.

"Public entity" includes a city, county, city and county, whether general law or chartered, a district, board, commission, bureau, authority, agency, department, division, section, any other political subdivision of the state of any kind, or the state.

#### §515. Water service.

"Water service" means the sale, lease, rental, furnishing, or delivery of water for beneficial use, and includes, but is not limited to, contracting for that sale, lease, rental, furnishing, or delivery of water, except bottled water.

#### §516. Water meter.

"Water meter" includes any suitable water measuring device or facility which measures or determines the volumetric flow of water.

# Article 3. Declaration of policy

# §520. Legislature findings and declarations.

The Legislature hereby finds and declares that, pursuant to the primary interest of the people of the state to put the limited available supplies of water in this state to beneficial use to the fullest extent of which they are capable, and to prevent waste, unreasonable use, or unreasonable method of use, it is necessary to determine the quantities of water in use throughout the state to the maximum extent that is reasonable to do so.

# §521. Legislature findings and declarations, cont.

The Legislature further finds and declares all of the following:

(a) Water furnished or used without any method of determination of the quantities of water used by the person to whom the water is furnished has caused, and will continue to cause, waste and unreasonable use of water, and that this waste and unreasonable use should be identified, isolated, and eliminated.

(b) Water metering and volumetric pricing are among the most efficient conservation tools, providing information on how much water is being used and pricing to encourage conservation.

(c) Without water meters, it is impossible for homeowners and businesses to know how much water they are using, thereby inhibiting conservation, punishing those who conserve, and rewarding those who waste water.

(d) Existing law requires the installation of a water meter as a condition of water service provided pursuant to a connection installed on or after January 1, 1992, but the continuing widespread absence of water meters and the lack of volumetric pricing could result in the inefficient use of water for municipal and industrial uses.

(e) The benefits to be gained from metering infrastructure are not recovered if urban water suppliers do not use this infrastructure.

(f) This chapter addresses a subject matter of statewide concern. It is the intent of the Legislature that this chapter supersede and preempt all enactments and other local action of cities and counties, including charter cities and charter counties, and other local public agencies that conflict with this chapter, other than enactments or local actions that impose additional or more stringent requirements regarding matters set forth in this chapter.

(g) An urban water supplier should take any available necessary step consistent with state law to ensure that the implementation of this chapter does not place an unreasonable burden on low-income families.

# §522. Legislature findings and declarations, cont.

The Legislature further finds and declares that waste or unreasonable use of water imposes unnecessary and wasteful consumption of energy to deliver or furnish the water, and it is necessary, therefore, to determine the quantities of water in use throughout the state to the maximum extent that it is reasonable to do so in order to reduce that energy consumption.

# §523. Legislature findings and declarations, cont.

The Legislature hereby finds and declares that the California goal for measurement of water use is the achievement by January 1, 1992, of the installation of water meters on all new water service connections after that date to systems and facilities owned, operated, or under the management or control of a water purveyor, which meters will measure the quantity of water furnished or delivered through each system or facility to each new user of the water.

# Article 3.5. Metered Service

# §525. Meter installation requirements.

(a) Notwithstanding any other provision of law, every water purveyor who sells, leases, rents, furnishes, or delivers water service to any person shall require, as a condition of new water service on and after January 1, 1992, that a suitable water meter to measure the water service shall be installed on the water service facilities in accordance with this chapter. The cost of installation of the meter shall be paid by the user of the water, and any water purveyor may impose and collect charges for those costs.

(b) Subdivision (a) applies only to potable water.

(c) Subdivision (a) does not apply to a community water system which serves fewer than 15 service connections used by yearlong residents or regularly serves fewer than 25 yearlong residents, or a single well that services the water supply of a single-family residential home.

# §526. Central Valley Project meters.

(a) Notwithstanding any other provision of law, an urban water supplier that, on or after January 1, 2004, receives water from the federal Central Valley Project under a water service contract or subcontract executed pursuant to Section 485h(c) of Title 43 of the United States Code with the Bureau of Reclamation of the United States Department of the Interior shall do both of the following:

(1) On or before January 1, 2013, install water meters on all service connections to residential and nonagricultural commercial buildings constructed prior to January 1, 1992, located within its service area.

(2) On and after March 1, 2013, or according to the terms of the Central Valley Project water contract in operation, charge customers for water based on the actual volume of deliveries, as measured by a water meter.

(b) An urban water supplier that receives water from the federal Central Valley Project under a water service contract or subcontract described in subdivision (a) may recover the cost of providing services related to the purchase, installation, and operation and maintenance of water meters from rates, fees, or charges.

# §527. Urban supplier subject to section 526.

(a) An urban water supplier that is not subject to Section 526 shall do both of the following:

(1) Install water meters on all municipal and industrial service connections located within its service area on or before January 1, 2025.

(2)

(A) Charge each customer that has a service connection for which a water meter has been installed based on the actual volume of deliveries as measured by the water meter, beginning on or before January 1, 2010.

(B) Notwithstanding subparagraph (A), in order to provide customers with experience in volume-based water service charges, an urban water supplier that is subject to this subdivision may delay, for one annual seasonal cycle of water use, the use of meter-based charges for service connections that are being converted from nonvolume-based billing to volume-based billing.

(b) A water purveyor, including an urban water supplier, may recover the cost of providing services related to the purchase, installation, and operation of a water meter from rates, fees, or charges.

#### §528. Post 2005 requirements.

Notwithstanding Sections 526 and 527, any water purveyor that becomes an urban water supplier on or after January 1, 2005, shall do both the following:

(a) Install water meters on all municipal and industrial service connections located within its service area within 10 years of meeting the definition of urban water supplier.

(b)

(1) Charge each customer for which a water meter has been installed, based on the actual volume of water delivered, as measured by the water meter, within five years of meeting the definition of urban water supplier.

(2) Notwithstanding paragraph (1), in order to provide customers with experience in volume-based water service charges, an urban water supplier that is subject to this subdivision may delay, for one annual seasonal cycle of water use, the use of meter-based charges for service connections that are being converted from nonvolume-based billing to volume-based billing.

(c) For the purposes of this article, an "urban water supplier" has the same meaning as that set forth in Section 10617.

#### §529. Statewide concerns.

(a) This article addresses a subject matter of statewide concern.

(b) Subject to subdivision (c), this article supersedes and preempts all enactments, including charter provisions and amendments thereto, and other local action of cities and counties, including charter cities and charter counties, and other local public agencies that conflict with this article.

(c) This article does not supersede or preempt any enactment or other local action that imposes additional or more stringent requirements regarding matters set forth in this article.

# §529.5. Post 2010 requirements.

On and after January 1, 2010, any urban water supplier that applies for financial assistance from the state for a wastewater treatment project, a water use efficiency project, or a drinking water treatment project, or for a permit for a new or expanded water supply, shall demonstrate that the applicant meets the requirements of this article.

# §529.7. Authority limits.

This article does not limit the authority of a water purveyor that promotes conservation through volumetric water pricing, including, but not limited to, an urban water supplier that promotes conservation through volumetric water pricing, to determine and impose a rate, fee, or charge in addition to the charge for the actual volume of metered water delivered.

# Article 4. Standards

#### §530. Domestic cold water meters.

Domestic cold water meters shall be in compliance with relevant standards of the American Water Works Association and shall be of the type approved by the Director of Food and Agriculture pursuant to Section 12500.5 of the Business and Professions Code.

# Article 4.3. Agricultural and Urban Water Use Reporting §531. Definitions.

Unless the context otherwise requires, the definitions set forth in this section govern the construction of this article.

(a) "Aggregated farm-gate delivery data" means information reflecting the total volume of water an agricultural water supplier provides to its customers and is calculated by totaling its deliveries to individual customers.

(b) "Agricultural water supplier" means a supplier either publicly or privately owned, supplying 2,000 acre-feet or more of surface water annually for agricultural purposes or serving 2,000 or more acres of agricultural land. An agricultural water supplier includes a supplier or contractor for water, regardless of the basis of right, which distributes or sells water for ultimate resale to customers.

(c) "Authority" means the California Bay-Delta Authority.

(d) "Best professional practices" means practices attaining and maintaining accuracy of measurement and reporting devices and methods.

(e) "Diversion" has the meaning set forth in subdivision (c) of Section 5100.

(f) "Farm-gate" means the point at which water is delivered from the agricultural water supplier's distribution system to each of its customers.

(g) "Person" has the meaning set forth in subdivision (d) of Section 5100.

# §531.2. General Department and Board coordination.

The department, the board, and the State Department of Public Health shall coordinate the collection, management, and use of agricultural and urban water measurement information provided to each agency.

# §531.5. Department and Board coordination.

(a) The board, in collaboration with the department, the authority or its successor agency, and the State Department of Public Health, shall prepare and submit a report to the Legislature by January 1, 2009, evaluating the feasibility, estimated costs, and potential means of financing a coordinated water measurement database. The evaluation shall include, but is not necessarily limited to, agricultural and urban water measurement data related to deliveries, diversions, licenses, permits, and other information received by these state agencies that supports effective state and regional water management planning and decisionmaking. The evaluation shall also consider how the database can provide information to address impacts related to climate change mitigation and adaptation.

(b) The report shall consider coordinating the collection and sharing of data through the use of technologies used by the National Environmental Information Exchange Network and the existing data exchange infrastructure of the involved agencies.

(c) It is the intent of the Legislature that the report provide an initial feasibility assessment, and is not intended to serve as the final Feasibility Study Report required by the State Administrative Manual.

# §531.10. Agricultural supplier report.

(a) An agricultural water supplier shall submit an annual report to the department that summarizes aggregated farm-gate delivery data, on a monthly or bimonthly basis, using best professional practices.

(b) Nothing in this article shall be construed to require the implementation of water measurement programs or practices that are not locally cost effective.

(c) It is the intent of the Legislature that the requirements of this section shall complement and not affect the scope of authority granted to the department or the board by provisions of law other than this article.

# §531.15. Duties.

Notwithstanding any other provision of the law, state agencies shall carry out the duties described in this article only to the extent that funds are made available for the purposes of implementing those duties.

# §531.20. Conflicts with SAM.

To the extent that the provisions of this article conflict with the requirements of Chapter 4800 of the State Administrative Manual, the requirements of that chapter shall control.

# Article 4.5. Irrigated Landscape §535. Landscape irrigation.

(a) A water purveyor shall require as a condition of new retail water service on and after January 1, 2008, the installation of separate water meters to measure the volume of water used exclusively for landscape purposes.

(b) Subdivision (a) does not apply to either of the following:

(1) Single-family residential connections.

(2) Connections used to supply water for the commercial production of agricultural crops or livestock.

(c) Subdivision (a) applies only to a service connection for which both of the following apply:

(1) The connection serves property with more than 5,000 square feet of irrigated landscape.

(2) The connection is supplied by a water purveyor that serves 15 or more service connections.

(d) For the purposes of this section, "new retail water service" means the installation of a new water meter where water service has not been previously provided, and does not include applications for new water service submitted before January 1, 2007.

# DIVISION 2. WATER PART 1. GENERAL PROVISIONS CHAPTER 2. ADMINISTRATIVE PROVISIONS GENERALLY §1058.5. Emergency Conservation Regulations

(a) This section applies to any emergency regulation adopted by the board for which the board makes both of the following findings:

(1) The emergency regulation is adopted to prevent the waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion, of water, to promote water recycling or water conservation, to require curtailment of diversions when water is not available under the diverter's priority of right, or in furtherance of any of the foregoing, to require reporting of diversion or use or the preparation of monitoring reports.

(2) The emergency regulation is adopted in response to conditions which exist, or are threatened, in a critically dry year immediately preceded by two or more consecutive below normal, dry, or critically dry years or during a period for which the Governor has issued a proclamation of a state of emergency under the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code) based on drought conditions.

(b) Notwithstanding Sections 11346.1 and 11349.6 of the Government Code, any findings of emergency adopted by the board, in connection with the adoption of an emergency regulation under this section, are not subject to review by the Office of Administrative Law.

(c) An emergency regulation adopted by the board under this section may remain in effect for up to 270 days, as determined by the board, and is deemed repealed immediately upon a finding by the board that due to changed conditions it is no longer necessary for the regulation to remain in effect. An emergency regulation adopted by the board under this section may be renewed if the board determines that the conditions specified in paragraph (2) of subdivision (a) are still in effect.

(d) In addition to any other applicable civil or criminal penalties, any person or entity who violates a regulation adopted by the board pursuant to this section is guilty of an infraction punishable by a fine of up to five hundred dollars (\$500) for each day in which the violation occurs.

(e)

(1) Notwithstanding subdivision (b) of Section 1551 or subdivision (e) of Section 1848, a civil liability imposed under Chapter 12 (commencing with Section 1825) of Part 2 of Division 2 by the board or a court for a violation of an emergency conservation regulation adopted pursuant to this section shall be deposited, and separately accounted for, in the Water Rights Fund. Funds deposited in accordance with this subdivision shall be available, upon appropriation, for water conservation activities and programs.

(2) For purposes of this subdivision, an "emergency conservation regulation" means an emergency regulation that requires an end user of water, a water retailer, or a water wholesaler to conserve water or report to the board on water conservation. Water conservation includes restrictions or limitations on particular uses of water or a reduction in the amount of water used or served, but does not include curtailment of diversions when water is not available under the diverter's priority of right or reporting requirements related to curtailments.

# PART 2. APPROPRIATION OF WATER CHAPTER 12. ENFORCEMENT OF WATER RIGHTS

Article 3. Monitoring and Reporting

# §1840. Metering and Reporting of Diverted Water [Effective June 27, 2016]

(a)

(1) Except as provided in subdivision (b), a person who, on or after January 1, 2016, diverts 10 acre-feet of water per year or more under a permit or license shall install and maintain a device or employ a method capable of measuring the rate of direct diversion, rate of collection to storage, and rate of withdrawal or release from storage. The measurements shall be made using the best available technologies and best professional practices, as defined in Section 5100, using a device or methods satisfactory to the board, as follows:

(A) A device shall be capable of continuous monitoring of the rate and quantity of water diverted and shall be properly maintained. The permittee or licensee shall provide the board with evidence that the device has been installed with the first report submitted after installation of the device. The permittee or licensee shall provide the board with evidence

demonstrating that the device is functioning properly as part of the reports submitted at five-year intervals after the report documenting installation of the device, or upon request of the board.

(B) In developing regulations pursuant to Section 1841, the board shall consider devices and methods that provide accurate measurement of the total amount diverted and the rate of diversion. The board shall consider devices and methods that provide accurate measurements within an acceptable range of error, including the following:

(i) Electricity records dedicated to a pump and recent pump test.

(ii) Staff gage calibrated with an acceptable streamflow rating curve.

(iii) Staff gage calibrated for a flume or weir.

(iv) Staff gage calibrated with an acceptable storage capacity curve.

(v) Pressure transducer and acceptable storage capacity curve.

(2) The permittee or licensee shall maintain a record of all diversion monitoring that includes the date, time, and diversion rate at time intervals of one hour or less, and the total amount of water diverted. These records shall be included with reports submitted under the permit or license, as required under subdivision (c), or upon request of the board.

(b)

(1) The board may modify the requirements of subdivision (a) upon finding either of the following:

(A) That strict compliance is infeasible, is unreasonably expensive, would unreasonably affect public trust uses, or would result in the waste or unreasonable use of water.

(B) That the need for monitoring and reporting is adequately addressed by other conditions of the permit or license.

(2) The board may increase the 10-acre-foot reporting threshold of subdivision (a) in a watershed or subwatershed, after considering the diversion reporting threshold in relation to quantity of water within the watershed or subwatershed. The board may increase the 10-acre-foot reporting threshold to 25 acre-feet or above if it finds that the benefits of the additional information within the watershed or subwatershed are substantially outweighed by the cost of installing measuring devices or employing methods for measurement for diversions at the 10-acre-foot threshold.

(c) At least annually, a person who diverts water under a registration, permit, or license shall report to the board the following information:

(1) The quantity of water diverted by month.

(2) The maximum rate of diversion by months in the preceding calendar year.

(3) The information required by subdivision (a), if applicable.

(4) The amount of water used, if any, for cannabis cultivation.

(d) Compliance with the applicable requirements of this section is a condition of every registration, permit, or license.

# §1841. Persons Required to Measure and Report

(a) The board may adopt regulations requiring measurement and reporting of water diversion and use by either of the following:

(1) Persons authorized to appropriate water under a permit, license, registration for small domestic, small irrigation, or livestock stockpond use, or certification for livestock stockpond use.

(2) Persons required to comply with measurement and reporting regulations pursuant to subparagraph (B) of paragraph (1) of subdivision (e) of Section 5103.

(b) The initial regulations that the board adopts pursuant to this section shall be adopted as emergency regulations in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The adoption of the initial regulations is an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health, safety, and general welfare. Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, any emergency regulations adopted under this section shall remain in effect until revised by the board.

(c) The adoption of the initial regulations pursuant to this article is exempt from Division 13 (commencing with Section 21000) of the Public Resources Code.

# <u>§1841.5. Method of Measurement – Diverter</u>

(a) For the purposes of a device installed pursuant to Section 1840 or 1841 or a method of measurement proposed and adopted pursuant to Section 934 or 935 of Title 23 of the California Code of Regulations, any diverter who has completed an instructional course regarding the devices or measurement method included in the course administered by the University of California Cooperative Extension, including passage of a proficiency test before the completion of the course, shall be considered a qualified individual when installing and maintaining devices or implementing methods of measurement that were taught in the course for the diverter's diversion. The proficiency test shall seek to certify that the diverter has a satisfactory understanding of the principles of measurement and the use of a measurement method included in the course or the installation of a device. The University of California Cooperative Extension and the board shall develop the curriculum of the course and the proficiency test. The University of California Cooperative Extension and the board shall ensure the course curriculum and the proficiency test do not conflict with any state licensing acts.

(b) For purposes of this section, "diverter" means an individual authorized to divert water under a valid water right, a lessee of property that is subject to a water right who is acting as a representative of the water right holder, or a bona fide employee of the water right holder or lessee.

(c) This section shall remain in effect only until January 1, 2023, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2023, deletes or extends that date.

# Article 4. Enforcement

# <u>§1845. Cease and Desist Violations</u> [Effective June 27, 2016]

(a) Upon the failure of any person to comply with a cease and desist order issued by the board pursuant to this chapter, the Attorney General, upon the request of the board, shall petition the superior court for the issuance of prohibitory or mandatory injunctive relief as appropriate, including a temporary restraining order, preliminary injunction, or permanent injunction.

(b)

(1) A person or entity who violates a cease and desist order issued pursuant to this chapter may be liable in an amount not to exceed the following:

(A) If the violation occurs in a critically dry year immediately preceded by two or more consecutive below normal, dry, or critically dry years or during a period for which the Governor has issued a proclamation of a state of emergency under the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code) based on drought conditions, ten thousand dollars (\$10,000) for each day in which the violation occurs.

(B) If the violation is not described by subparagraph (A), one thousand dollars (\$1,000) for each day in which the violation occurs.

(2) Civil liability may be imposed by the superior court. The Attorney General, upon the request of the board, shall petition the superior court to impose, assess, and recover those sums.

(3) Civil liability may be imposed administratively by the board pursuant to Section 1055.

# §1846. Penalties [Effective June 27, 2016.]

(a) A person or entity may be liable for a violation of any of the following in an amount not to exceed five hundred dollars (\$500) for each day in which the violation occurs:

(1) A term or condition of a permit, license, certificate, or registration issued under this division.

(2) A regulation or order adopted by the board.

(b) Civil liability may be imposed by the superior court. The Attorney General, upon the request of the board, shall petition the superior court to impose, assess, and recover those sums.

(c) Civil liability may be imposed administratively by the board pursuant to Section 1055.

# §1847. Liabilities [Effective June 27, 2016.]

(a) A person or entity may be liable for a violation of any of the requirements of subdivision(b) in an amount not to exceed the sum of the following:

(1) Five hundred dollars (\$500), plus two hundred fifty dollars (\$250) for each additional day on which the violation continues if the person fails to correct the violation within 30 days after the board has called the violation to the attention of that person.

(2) Two thousand five hundred dollars (\$2,500) for each acre-foot of water diverted or used in violation of the applicable requirement.

(b) Liability may be imposed for any of the following violations:

(1) Violation of a limitation or requirement established by the board or the Department of Fish and Wildlife under Section 13149.

(2) Failure to submit information, or making a material misstatement in information submitted, under subdivision (a), (b), or (c) of Section 19332.2 of the Business and Professions Code.

(3) Violation of any requirement imposed under subdivision (e) of Section 19332.2 of the Business and Professions Code.

(4) Diversion or use of water for cannabis cultivation for which a license is required, but has not been obtained, under Article 6 (commencing with Section 19331) of Chapter 3.5 of Division 8 of the Business and Professions Code.

(c) Civil liability may be imposed by the superior court. The Attorney General, upon the request of the board, shall petition the superior court to impose, assess, and recover those sums.

(d) Civil liability may be imposed administratively by the board pursuant to Section 1055.

# §1848. Remedies [Effective June 27, 2016.]

(a) Except as provided in subdivisions (b) and (c), remedies under this chapter are in addition to, and do not supersede or limit, any other remedy, civil or criminal.

(b) Civil liability shall not be imposed both administratively and by the superior court for the same violation.

(c) No liability shall be recoverable under Section 1846 or 1847 for a violation for which liability is recovered under Section 1052.

(d) In determining the appropriate amount, the court, or the board, as the case may be, shall take into consideration all relevant circumstances, including, but not limited to, the extent of harm caused by the violation, the nature and persistence of the violation, the length of time over which the violation occurs, and the corrective action, if any, taken by the violator.

(e) All funds recovered pursuant to this article shall be deposited in the Water Rights Fund established pursuant to Section 1550.

# DIVISION 6. CONSERVATION, DEVELOPMENT, AND UTILIZATION OF STATE WATER RESOURCES PART 2.2 INTEGRATED REGIONAL WATER MANAGEMENT PLANS CHAPTER 1. SHORT TITLE

#### <u>§10530. Title.</u>

This part shall be known and may be cited as the Integrated Regional Water Management Planning Act.

# CHAPTER 2. LEGISLATIVE FINDINGS AND DECLARATIONS <u>§10531. Legislative Findings.</u>

The Legislature finds and declares all of the following:

(a) Water is a valuable natural resource in California, and should be managed to ensure the availability of sufficient supplies to meet the state's agricultural, domestic, industrial, and environmental needs. It is the intent of the Legislature to encourage local agencies to work cooperatively to manage their available local and imported water supplies to improve the quality, quantity, and reliability of those supplies.

(b) Local agencies can realize efficiencies by coordinating and integrating their assets and seeking mutual solutions to water management issues.

(c) The reliability of water supplies can be significantly improved by diversifying water portfolios, taking advantage of local and regional opportunities, and considering a broad variety of water management strategies as described in the California Water Plan.

(d) The implementation of this part will facilitate the development of integrated regional water management plans, thereby assisting each region of the state to improve water supply reliability, water quality, and environmental stewardship to meet current and future needs.

(e) Water management is integrally linked to public health and the health of all natural resources within our watersheds. It is the intent of the Legislature that water management strategies and projects are carried out in a way that promotes these important public values.

# §10531.5. City of Maywood Mutual Water Company Consolidation

It is the intent of the Legislature to encourage collaboration among mutual water companies that operate public water systems in the City of Maywood to create a public agency that can consolidate drinking water services for the people and businesses of that city.

# CHAPTER 3. DEFINITIONS §10532. General Application.

Unless the context otherwise requires, the definitions set forth in this chapter govern the construction of this part.

# <u>§10533. Basin Plan.</u>

"Basin plan" means a water quality control plan developed pursuant to Section 13240.

# §10534. Integrated Regional Water Management Plan.

"Integrated regional water management plan" means a comprehensive plan for a defined geographic area, the specific development, content, and adoption of which shall satisfy requirements developed pursuant to this part. At a minimum, an integrated regional water management plan describes the major water-related objectives and conflicts within a region, considers a broad variety of water management strategies, identifies the appropriate mix of water demand and supply management alternatives, water quality protections, and environmental stewardship actions to provide long-term, reliable, and high-quality water supply and protect the environment, and identifies disadvantaged communities in the region and takes the water-related needs of those communities into consideration.

# §10535. Local Agency.

"Local agency" means any city, county, city and county, special district, joint powers authority, or other political subdivision of the state, a public utility as defined in Section 216 of the Public Utilities Code, or a mutual water company as defined in Section 2725 of the Public Utilities Code.

# <u>§10536. Plan.</u>

"Plan" means an integrated regional water management plan.

# §10537. Regional Projects or Programs.

"Regional projects or programs" means projects or programs identified in an integrated regional water management plan that accomplish any of the following:

(a) Reduce water demand through agricultural and urban water use efficiency.

(b) Increase water supplies for any beneficial use through the use of any of the following, or other, means:

(1) Groundwater storage and conjunctive water management.

(2) Desalination.

- (3) Precipitation enhancement.
- (4) Water recycling.
- (5) Regional and local surface storage.
- (6) Water-use efficiency.
- (7) Stormwater management.

(c) Improve operational efficiency and water supply reliability, including conveyance facilities, system reoperation, and water transfers.

(d) Improve water quality, including drinking water treatment and distribution, groundwater and aquifer remediation, matching water quality to water use, wastewater treatment, water pollution prevention, and management of urban and agricultural runoff.

(e) Improve resource stewardship, including agricultural lands stewardship, ecosystem restoration, flood plain management, recharge area protection, urban land use management, groundwater management, water-dependent recreation, fishery restoration, including fish passage improvement, and watershed management.

(f) Improve flood management through structural and nonstructural means, or by any other means.

#### §10538. Regional reports or Studies.

"Regional reports or studies" means reports or studies relating to any of the matters described in subdivisions (a) to (f), inclusive, of Section 10537, that are identified in an integrated regional water management plan.

#### §10539. Regional Water Management Group.

"Regional water management group" means a group in which three or more local agencies, at least two of which have statutory authority over water supply or water management, as well as those other persons who may be necessary for the development and implementation of a plan that meets the requirements in Sections 10540 and 10541, participate by means of a joint powers agreement, memorandum of understanding, or other written agreement, as appropriate, that is approved by the governing bodies of those local agencies.

# CHAPTER 4. INTEGRATED REGIONAL WATER MANAGEMENT PLANS

§10540. Plans may include. [Effective January 1, 2016]

(a) A regional water management group may prepare and adopt an integrated regional water management plan in accordance with this part.

(b) A regional water management group may coordinate its planning activities to address or incorporate all or part of any of the following actions of its members into its plan:

(1) Groundwater management planning pursuant to Part 2.75 (commencing with Section 10750), groundwater sustainability planning pursuant to Part 2.74 (commencing with Section 10720), or other specific groundwater management authority.

(2) Urban water management planning pursuant to Part 2.6 (commencing with Section 10610).

(3) The preparation of a water supply assessment required pursuant to Part 2.10 (commencing with Section 10910).

(4) Agricultural water management planning pursuant to Part 2.8 (commencing with Section 10800).

(5) City and county general planning pursuant to Section 65350 of the Government Code.

(6) Stormwater resource planning that is undertaken pursuant to Part 2.3 (commencing with Section 10560).

(7) Other water resource management planning, including flood protection, watershed management planning, and multipurpose program planning.

(c) At a minimum, all plans shall address all of the following:

(1) Protection and improvement of water supply reliability, including identification of feasible agricultural and urban water use efficiency strategies.

(2) Identification and consideration of the drinking water quality of communities within the area of the plan.

(3) Protection and improvement of water quality within the area of the plan, consistent with the relevant basin plan.

(4) Identification of any significant threats to groundwater resources from overdrafting.

(5) Protection, restoration, and improvement of stewardship of aquatic, riparian, and watershed resources within the region.

(6) Protection of groundwater resources from contamination.

(7) Identification and consideration of the water-related needs of disadvantaged communities in the area within the boundaries of the plan.

(d) This section does not obligate a local agency to fund the implementation of any project or program.

# §10541. Department Responsibilities and Plan Guidelines. [Effective January 1, 2015.]

(a) The department shall develop project solicitation and evaluation guidelines for the application of funds made available pursuant to Section 75026 of the Public Resources Code and all other funds that are or may become available for integrated regional water management plan implementation, including a future water bond, to enable broad and diverse participation in integrated regional water management plan development and refinement.

(b) The department shall conduct two public meetings to consider public comments prior to finalizing the guidelines. The department shall publish the draft solicitation and evaluation guidelines on its Internet Web site at least 30 days before the public meetings. One meeting shall be conducted at a location in northern California and one meeting shall be conducted at a location in southern California. Upon adoption, the department shall transmit copies of the guidelines to the fiscal committees and the appropriate policy committees of the Legislature. To the extent feasible, each state agency shall provide outreach to disadvantaged communities to promote access to and participation in those meetings.

(c) The department shall consult with the board, the California regional water quality control boards, the State Department of Public Health, the Department of Fish and Wildlife, the California Bay-Delta Authority or its successor, and other state agencies with water management responsibility and authority in the development of the guidelines.

(d) The department may periodically review and update the guidelines to accommodate changes in funding sources, statutory requirements, new commonly accepted management practices, and changes in state water management policy. Any guideline changes shall be made with appropriate consultation with other state agencies and public review pursuant to subdivisions (b) and (c).

(e) The guidelines shall require that integrated regional water management plans include all of the following:

(1) Consideration of all of the resource management strategies identified in the California Water Plan, as updated by department Bulletin No. 160-2005 and future updates.

(2) Consideration of objectives in the appropriate basin plan or plans and strategies to meet applicable water quality standards.

(3) Description of the major water-related objectives and conflicts within a region.

(4) To the extent possible, measurable regional objectives and criteria for developing regional project priorities.

(5) An integrated, collaborative, multibenefit approach to selection and design of projects and programs.

(6) Identification and consideration of the water-related needs of disadvantaged communities in the area within the boundaries of the plan.

(7) Performance measures and monitoring to demonstrate progress toward meeting regional objectives.

(8) A plan for implementation and financing of identified projects and programs.

(9) Consideration of greenhouse gas emissions of identified programs and projects.

(10) Evaluation of the adaptability to climate change of water management systems in the region.

(11) Documentation of data and technical analyses used in the development of the plan.

(12) A process to disseminate data and information related to the development and implementation of the plan.

(13) A process to coordinate water management projects and activities of participating local agencies and local stakeholders to avoid conflicts and take advantage of efficiencies.

(14) If an area within the boundaries of the plan has nitrate, arsenic, perchlorate, or hexavalent chromium contamination, the plan shall include a description of each of the following:

(A) The location and extent of that contamination in the region.

(B) The impacts caused by the contamination to communities within the region.

(C) Existing efforts being undertaken in the region to address the impacts.

(D) Any additional efforts needed to address the impacts.

(15) Any other matters identified by the department.

(f) The guidelines shall include standards for identifying a region for the purpose of developing or modifying an integrated regional water management plan. At a minimum, a region shall be a contiguous geographic area encompassing the service areas of multiple local agencies, and shall be defined to maximize opportunities for integration of water management activities. The department shall develop a process to approve the composition of a region for the purposes of Sections 75026, 75027, and 75028 of the Public Resources Code.

(g) The guidelines shall require that the development and implementation of an integrated regional water management plan include a public process that provides outreach and an opportunity to participate in plan development and implementation to appropriate local agencies and stakeholders, as applicable to the region, including all of the following:

(1) Wholesale and retail water purveyors, including a local agency, mutual water company, or a water corporation as defined in Section 241 of the Public Utilities Code.

(2) Wastewater agencies.

(3) Flood control agencies.

(4) Municipal and county governments and special districts.

(5) Electrical corporations, as defined in Section 218 of the Public Utilities Code.

(6) Native American tribes that have lands within the region.

(7) Self-supplied water users, including agricultural, industrial, residential, park districts, school districts, colleges and universities, and others.

(8) Environmental stewardship organizations, including watershed groups, fishing groups, land conservancies, and environmental groups.

(9) Community organizations, including landowner organizations, taxpayer groups, and recreational interests.

(10) Industry organizations representing agriculture, developers, and other industries appropriate to the region.

(11) State, federal, and regional agencies or universities, with specific responsibilities or knowledge within the region.

(12) Disadvantaged community members and representatives, including environmental justice organizations, neighborhood councils, and social justice organizations.

(13) Any other interested groups appropriate to the region.

(h) The guidelines shall require integrated regional water management plans to be developed through a collaborative process that makes public both of the following:

(1) The process by which decisions are made in consultation with the persons or entities identified in subdivision (g).

(2) The manner in which a balance of interested persons or entities representing different sectors and interests listed in subdivision (g) have been or will be engaged in the process described in this subdivision, regardless of their ability to contribute financially to the plan.

(i) The guidelines shall provide for a process for the development, periodic review, updating, and amending of integrated regional water management plans. The department shall establish eligibility requirements for the project funding, that provide sufficient time for the updating of plans as necessary to reflect changes in the guidelines.

# §10543. Notice of Intention.

(a) A regional water management group proposing to prepare an integrated regional water management plan shall publish a notice of intention to prepare the plan in accordance with Section 6066 of the Government Code.

(b) For the purposes of carrying out this part, the regional water management group shall make available to the public the documentation prepared pursuant to subdivision (g) of Section 10541 describing the manner in which interested parties may participate in developing the integrated regional water management plan.

(c) Upon the completion of the integrated regional water management plan, the regional water management group shall publish a notice of intention to adopt the plan in accordance with Section 6066 of the Government Code and shall adopt the plan in a public meeting of its governing board.

# CHAPTER 5. FUNDING FOR QUALIFIED PROJECTS AND PROGRAMS <u>§10544. Selecting projects.</u>

When selecting projects and programs pursuant to Division 24 (commencing with Section 78500), Division 26 (commencing with Section 79000), Division 26.5 (commencing with Section 79500), or pursuant to any grant funding authorized on or after January 1, 2009, for water management activities, the department, the board, the State Department of Public Health, and the California Bay-Delta Authority or its successor, as appropriate, shall include in any set of criteria used to select projects and programs for funding, a criterion that provides a preference for regional projects or programs.

# §10544.5 Grant Applications for Areas with Nitrate, Arsenic, Perchlorate, or Hexavalent Chromium Contamination.

For grant applications that include areas that have nitrate, arsenic, perchlorate, or hexavalent chromium contamination, the regional water management group shall include in the grant application information regarding how a project or projects in the application help to address the contamination or an explanation why the application does not include that kind of project or projects.

# <u>§10545. Grant Applications for Areas with Nitrate, Arsenic, Perchlorate, or Hexavalent</u> <u>Chromium Contamination.</u>

When selecting projects pursuant to Section 75026 of the Public Resources Code or for other funds that are or may become available for integrated regional water management plan implementation, the department shall consider for grant applications that include areas that have nitrate, arsenic, perchlorate, or hexavalent chromium contamination, whether the regional water management group has included projects that help address the impacts caused by nitrate, arsenic, perchlorate, or hexavalent chromium contamination, including projects that provide safe drinking water to small disadvantaged communities.

# <u>§10546. Eligible Funding.</u>

An integrated regional water management plan prepared pursuant to this part shall be eligible for funding pursuant to Section 75026 of the Public Resources Code, and for any funding authorized on or after January 1, 2009, that is allocated specifically for implementation of integrated regional water management.

# §10547. Use of Existing Integrated Regional Water Management Guidelines.

This part does not prohibit the department from implementing Section 75026 of the Public Resources Code by using existing integrated regional water management guidelines in accordance with subdivision (d) of Section 75026 of the Public Resources Code.

# **CHAPTER 6. MISCELLANEOUS**

# <u>§10548. Local authority.</u>

This part does not affect any powers granted to a local agency by any other law.

# §10549. Water rights.

This part does not authorize a regional water management group to define, or otherwise determine, the water rights of any person.

# §10550. Activities inconsistent with water quality laws.

The plan or project shall not be funded pursuant to this part if it would fund activities inconsistent with applicable state and federal water quality laws.

# CHAPTER 7. ADVANCED PAYMENT OF GRANT FUNDS

§10551. List of Projects. [Effective January 1, 2016.]

(a) Within 90 days of notice that a grant for projects included and implemented in an integrated regional water management plan has been awarded, the regional water management group shall provide the department with a list of projects to be funded by the grant funds where the project proponent is a nonprofit organization or a disadvantaged community, or the project benefits a disadvantaged community. The list shall specify how the projects are consistent with the adopted integrated regional water management plan and shall include all of the following information:

(1) Descriptive information concerning each project identified.

(2) The names of the entities that will receive the funding for each project, including, but not limited to, an identification as to whether the project proponent or proponents are nonprofit organizations or a disadvantaged community.

(3) The budget of each project.

(4) The anticipated schedule for each project.

(b) Within 60 days of receiving the project information pursuant to subdivision (a), the department shall provide advanced payment of 50 percent of the grant award for those projects that satisfy both of the following criteria:

(1) The project proponent is a nonprofit organization or a disadvantaged community, or the project benefits a disadvantaged community.

(2) The grant award for the project is less than one million dollars (\$1,000,000).

(c) Funds advanced pursuant to subdivision (b) shall be handled as follows:

(1) The recipient shall place the funds in a noninterest-bearing account until expended.

(2) The funds shall be spent within six months of the date of receipt, unless the department waives this requirement.

(3) The recipient shall, on a quarterly basis, provide an accountability report to the department regarding the expenditure and use of any advanced grant funds that provides, at a minimum, the following information:

(A) An itemization as to how advanced payment funds provided under this section have been expended.

(B) A project itemization as to how any remaining advanced payment funds provided under this section will be expended over the period specified in paragraph (2).

(C) Whether the funds are placed in a noninterest-bearing account, and if so, the date that occurred and the dates of withdrawals of funds from that account, if applicable.

(4) If funds are not expended, the unused portion of the grant shall be returned to the department within 60 days after project completion or the end of the grant performance period, whichever is earlier.

(5) The department may adopt additional requirements for the recipient regarding the use of the advanced payment to ensure that the funds are used properly.

(d) As used in this section:

(1) "Disadvantaged community" has the same meaning as defined in subdivision (j) of Section 79702.

(2) "Nonprofit organization" has the same meaning as defined in subdivision (p) of Section 79702.

# §10552. Chapter Effective Timeframe. [Effective January 1, 2016.]

This chapter shall remain in effect only until January 1, 2025, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2025, deletes or extends that date.

#### PART 2.6. URBAN WATER MANAGEMENT PLANNING CHAPTER 1. GENERAL DECLARATION AND POLICY §10610. Urban Water Management Planning Act.

This part shall be known and may be cited as the "Urban Water Management Planning Act."

# §10610.2. Legislative Findings.

(a) The Legislature finds and declares all of the following:

(1) The waters of the state are a limited and renewable resource subject to ever-increasing demands.

(2) The conservation and efficient use of urban water supplies are of statewide concern; however, the planning for that use and the implementation of those plans can best be accomplished at the local level.

(3) A long-term, reliable supply of water is essential to protect the productivity of California's businesses and economic climate.

(4) As part of its long-range planning activities, every urban water supplier should make every effort to ensure the appropriate level of reliability in its water service sufficient to meet the needs of its various categories of customers during normal, dry, and multiple dry water years.

(5) Public health issues have been raised over a number of contaminants that have been identified in certain local and imported water supplies.

(6) Implementing effective water management strategies, including groundwater storage projects and recycled water projects, may require specific water quality and salinity targets for meeting groundwater basins water quality objectives and promoting beneficial use of recycled water.

(7) Water quality regulations are becoming an increasingly important factor in water agencies' selection of raw water sources, treatment alternatives, and modifications to existing treatment facilities.

(8) Changes in drinking water quality standards may also impact the usefulness of water supplies and may ultimately impact supply reliability.

(9) The quality of source supplies can have a significant impact on water management strategies and supply reliability.

(b) This part is intended to provide assistance to water agencies in carrying out their longterm resource planning responsibilities to ensure adequate water supplies to meet existing and future demands for water.

# §10610.4. Legislative Findings.

The Legislature finds and declares that it is the policy of the state as follows:

(a) The management of urban water demands and efficient use of water shall be actively pursued to protect both the people of the state and their water resources.

(b) The management of urban water demands and efficient use of urban water supplies shall be a guiding criterion in public decisions.

(c) Urban water suppliers shall be required to develop water management plans to actively pursue the efficient use of available supplies.

# CHAPTER 2. DEFINITIONS §10611. Definitions.

Unless the context otherwise requires, the definitions of this chapter govern the construction of this part.

# §10611.5. Demand management.

"Demand management" means those water conservation measures, programs, and incentives that prevent the waste of water and promote the reasonable and efficient use and reuse of available supplies.

# §10612. Customer.

"Customer" means a purchaser of water from a water supplier who uses the water for municipal purposes, including residential, commercial, governmental, and industrial uses.

# §10613. Efficient use.

"Efficient use" means those management measures that result in the most effective use of water so as to prevent its waste or unreasonable use or unreasonable method of use.

# <u>§10614. Person.</u>

"Person" means any individual, firm, association, organization, partnership, business, trust, corporation, company, public agency, or any agency of such an entity.

# <u>§10615. Plan.</u>

"Plan" means an urban water management plan prepared pursuant to this part. A plan shall describe and evaluate sources of supply, reasonable and practical efficient uses, reclamation and demand management activities. The components of the plan may vary according to an individual community or area's characteristics and its capabilities to efficiently use and conserve water. The plan shall address measures for residential, commercial, governmental, and industrial water demand management as set forth in Article 2 (commencing with Section 10630) of Chapter 3. In addition, a strategy and time schedule for implementation shall be included in the plan.

# §10616. Public agency.

"Public agency" means any board, commission, county, city and county, city, regional agency, district, or other public entity.

# §10616.5. Recycled water.

"Recycled water" means the reclamation and reuse of wastewater for beneficial use.

# §10617. Urban water supplier.

"Urban water supplier" means a supplier, either publicly or privately owned, providing water for municipal purposes either directly or indirectly to more than 3,000 customers or supplying more than 3,000 acre-feet of water annually. An urban water supplier includes a supplier or contractor for water, regardless of the basis of right, which distributes or sells for ultimate resale to customers. This part applies only to water supplied from public water systems subject to Chapter 4 (commencing with Section 116275) of Part 12 of Division 104 of the Health and Safety Code.

# CHAPTER 3. URBAN WATER MANAGEMENT

# Article 1. General Provisions

# §10620. Requirement for Urban Water Management Plan.

(a) Every urban water supplier shall prepare and adopt an urban water management plan in the manner set forth in Article 3 (commencing with Section 10640).

(b) Every person that becomes an urban water supplier shall adopt an urban water management plan within one year after it has become an urban water supplier.

(c) An urban water supplier indirectly providing water shall not include planning elements in its water management plan as provided in Article 2 (commencing with Section 10630) that would be applicable to urban water suppliers or public agencies directly providing water, or to their customers, without the consent of those suppliers or public agencies.

(d) (1) An urban water supplier may satisfy the requirements of this part by participation in areawide, regional, watershed, or basinwide urban water management planning where those plans will reduce preparation costs and contribute to the achievement of conservation and efficient water use.

(2) Each urban water supplier shall coordinate the preparation of its plan with other appropriate agencies in the area, including other water suppliers that share a common source, water management agencies, and relevant public agencies, to the extent practicable.

(e) The urban water supplier may prepare the plan with its own staff, by contract, or in cooperation with other governmental agencies.

(f) An urban water supplier shall describe in the plan water management tools and options used by that entity that will maximize resources and minimize the need to import water from other regions.

# §10621. Plan Updates. [Effective January 1, 2016.]

(a) Each urban water supplier shall update its plan at least once every five years on or before December 31, in years ending in five and zero, except as provided in subdivisions (d) and (e).

(b) Every urban water supplier required to prepare a plan pursuant to this part shall, at least 60 days before the public hearing on the plan required by Section 10642, notify any city or county within which the supplier provides water supplies that the urban water supplier will be reviewing the plan and considering amendments or changes to the plan. The urban water supplier may consult with, and obtain comments from, any city or county that receives notice pursuant to this subdivision.

(c) The amendments to, or changes in, the plan shall be adopted and filed in the manner set forth in Article 3 (commencing with Section 10640).

(d) Each urban water supplier shall update and submit its 2015 plan to the department by July 1, 2016.

(e) Each urban water supplier shall update and submit its 2020 plan to the department by July 1, 2021.

# Article 2. Contents of Plans §10630. Legislative intent.

It is the intention of the Legislature, in enacting this part, to permit levels of water management planning commensurate with the numbers of customers served and the volume of water supplied.

# §10631. Requirements for plan. [Effective January 1, 2015.]

A plan shall be adopted in accordance with this chapter that shall do all of the following:

(a) Describe the service area of the supplier, including current and projected population, climate, and other demographic factors affecting the supplier's water management planning. The projected population estimates shall be based upon data from the state, regional, or local service agency population projections within the service area of the urban water supplier and shall be in five-year increments to 20 years or as far as data is available.

(b) Identify and quantify, to the extent practicable, the existing and planned sources of water available to the supplier over the same five-year increments described in subdivision (a). If groundwater is identified as an existing or planned source of water available to the supplier, all of the following information shall be included in the plan:

(1) A copy of any groundwater management plan adopted by the urban water supplier, including plans adopted pursuant to Part 2.75 (commencing with Section 10750), or any other specific authorization for groundwater management.

(2) A description of any groundwater basin or basins from which the urban water supplier pumps groundwater. For basins that a court or the board has adjudicated the rights to pump groundwater, a copy of the order or decree adopted by the court or the board and a description of the amount of groundwater the urban water supplier has the legal right to pump under the order or decree. For basins that have not been adjudicated, information as to whether the department has identified the basin or basins as overdrafted or has projected that the basin will become overdrafted if present management conditions continue, in the most current official departmental bulletin that characterizes the condition of the groundwater basin, and a detailed description of the efforts being undertaken by the urban water supplier to eliminate the long-term overdraft condition.

(3) A detailed description and analysis of the location, amount, and sufficiency of groundwater pumped by the urban water supplier for the past five years. The description and analysis shall be based on information that is reasonably available, including, but not limited to, historic use records.

(4) A detailed description and analysis of the amount and location of groundwater that is projected to be pumped by the urban water supplier. The description and analysis shall be based on information that is reasonably available, including, but not limited to, historic use records.

# (c)

(1) Describe the reliability of the water supply and vulnerability to seasonal or climatic shortage, to the extent practicable, and provide data for each of the following:

(A) An average water year.

(B) A single-dry water year.

(C) Multiple-dry water years.

(2) For any water source that may not be available at a consistent level of use, given specific legal, environmental, water quality, or climatic factors, describe plans to supplement or replace that source with alternative sources or water demand management measures, to the extent practicable.

(d) Describe the opportunities for exchanges or transfers of water on a short-term or long-term basis.

(e)

(1) Quantify, to the extent records are available, past and current water use, over the same five-year increments described in subdivision (a), and projected water use, identifying the uses among water use sectors, including, but not necessarily limited to, all of the following uses:

(A) Single-family residential.

(B) Multifamily.

(C) Commercial.

(D) Industrial.

(E) Institutional and governmental.

(F) Landscape.

(G) Sales to other agencies.

(H) Saline water intrusion barriers, groundwater recharge, or conjunctive use, or any combination thereof.

(I) Agricultural.

(J) Distribution system water loss.

(2) The water use projections shall be in the same five-year increments described in subdivision (a).

(3)

(A) For the 2015 urban water management plan update, the distribution system water loss shall be quantified for the most recent 12-month period available. For all subsequent updates, the distribution system water loss shall be quantified for each of the five years preceding the plan update.

(B) The distribution system water loss quantification shall be reported in accordance with a worksheet approved or developed by the department through a public process. The water loss quantification worksheet shall be based on the water system balance methodology developed by the American Water Works Association.

(4)

(A) If available and applicable to an urban water supplier, water use projections may display and account for the water savings estimated to result from adopted codes, standards, ordinances, or transportation and land use plans identified by the urban water supplier, as applicable to the service area.

(B) To the extent that an urban water supplier reports the information described in subparagraph (A), an urban water supplier shall do both of the following:

(i) Provide citations of the various codes, standards, ordinances, or transportation and land use plans utilized in making the projections.

(ii) Indicate the extent that the water use projections consider savings from codes, standards, ordinances, or transportation and land use plans. Water use projections that do not account for these water savings shall be noted of that fact.

(f) Provide a description of the supplier's water demand management measures. This description shall include all of the following:

(1)

(A) For an urban retail water supplier, as defined in Section 10608.12, a narrative description that addresses the nature and extent of each water demand management measure implemented over the past five years. The narrative shall describe the water demand management measures that the supplier plans to implement to achieve its water use targets pursuant to Section 10608.20.

(B) The narrative pursuant to this paragraph shall include descriptions of the following water demand management measures:

(i) Water waste prevention ordinances.

(ii) Metering.

(iii) Conservation pricing.

(iv) Public education and outreach.

(v) Programs to assess and manage distribution system real loss.

(vi) Water conservation program coordination and staffing support.

(vii) Other demand management measures that have a significant impact on water use as measured in gallons per capita per day, including innovative measures, if implemented.

(2) For an urban wholesale water supplier, as defined in Section 10608.12, a narrative description of the items in clauses (ii), (iv), (vi), and (vii) of subparagraph (B) of paragraph (1), and a narrative description of its distribution system asset management and wholesale supplier assistance programs.

(g) Include a description of all water supply projects and water supply programs that may be undertaken by the urban water supplier to meet the total projected water use, as established pursuant to subdivision (a) of Section 10635. The urban water supplier shall include a detailed description of expected future projects and programs that the urban water supplier may implement to increase the amount of the water supply available to the urban water supplier in average, single-dry, and multiple-dry water years. The description shall identify specific projects and include a description of the increase in water supply that is expected to be available from each project. The description shall include an estimate with regard to the implementation timeline for each project or program.

(h) Describe the opportunities for development of desalinated water, including, but not limited to, ocean water, brackish water, and groundwater, as a long-term supply.

(i) For purposes of this part, urban water suppliers that are members of the California Urban Water Conservation Council shall be deemed in compliance with the requirements of subdivision (f) by complying with all the provisions of the "Memorandum of Understanding Regarding Urban Water Conservation in California," dated December 10, 2008, as it may be amended, and by submitting the annual reports required by Section 6.2 of that memorandum.

(j) An urban water supplier that relies upon a wholesale agency for a source of water shall provide the wholesale agency with water use projections from that agency for that source of water in five-year increments to 20 years or as far as data is available. The wholesale agency shall provide information to the urban water supplier for inclusion in the urban water supplier's plan that identifies and quantifies, to the extent practicable, the existing and planned sources of water as required by subdivision (b), available from the wholesale agency to the urban water supplier over the same five-year increments, and during various water-year types in accordance with subdivision (c). An urban water supplier may rely upon water supply information provided by the wholesale agency in fulfilling the plan informational requirements of subdivisions (b) and (c).

#### §10631.1. Water Use Projections.

(a) The water use projections required by Section 10631 shall include projected water use for single-family and multifamily residential housing needed for lower income households, as defined in Section 50079.5 of the Health and Safety Code, as identified in the housing element of any city, county, or city and county in the service area of the supplier.

(b) It is the intent of the Legislature that the identification of projected water use for singlefamily and multifamily residential housing for lower income households will assist a supplier in complying with the requirement under Section 65589.7 of the Government Code to grant a priority for the provision of service to housing units affordable to lower income households.

# **<u>§10631.2.</u>** Additional Items for an Urban Water Management Plan. [Effective January 1, 2015.]

(a) In addition to the requirements of Section 10631, an urban water management plan may, but is not required to, include any of the following information:

(1) An estimate of the amount of energy used to extract or divert water supplies.

(2) An estimate of the amount of energy used to convey water supplies to the water treatment plants or distribution systems.

(3) An estimate of the amount of energy used to treat water supplies.

(4) An estimate of the amount of energy used to distribute water supplies through its distribution systems.

(5) An estimate of the amount of energy used for treated water supplies in comparison to the amount used for nontreated water supplies.

(6) An estimate of the amount of energy used to place water into or withdraw from storage.

(7) Any other energy-related information the urban water supplier deems appropriate.

(b) The department shall include in its guidance for the preparation of urban water management plans a methodology for the voluntary calculation or estimation of the energy intensity of urban water systems. The department may consider studies and calculations conducted by the Public Utilities Commission in developing the methodology.

# §10631.7. Independent Technical Panel.

The department, in consultation with the California Urban Water Conservation Council, shall convene an independent technical panel to provide information and recommendations to the department and the Legislature on new demand management measures, technologies, and approaches. The panel shall consist of no more than seven members, who shall be selected by the department to reflect a balanced representation of experts. The panel shall have at least one, but no more than two, representatives from each of the following: retail water suppliers, environmental organizations, the business community, wholesale water suppliers, and academia. The panel shall be convened by January 1, 2009, and shall report to the Legislature no later than January 1, 2010, and every five years thereafter. The department shall review the panel report and include in the final report to the Legislature the department's recommendations and comments regarding the panel process and the panel's recommendations.

# §10632. Water Shortage Contingency.

(a) The plan shall provide an urban water shortage contingency analysis that includes each of the following elements that are within the authority of the urban water supplier:

(1) Stages of action to be undertaken by the urban water supplier in response to water supply shortages, including up to a 50 percent reduction in water supply, and an outline of specific water supply conditions that are applicable to each stage.

(2) An estimate of the minimum water supply available during each of the next three water years based on the driest three-year historic sequence for the agency's water supply.

(3) Actions to be undertaken by the urban water supplier to prepare for, and implement during, a catastrophic interruption of water supplies including, but not limited to, a regional power outage, an earthquake, or other disaster.

(4) Additional, mandatory prohibitions against specific water use practices during water shortages, including, but not limited to, prohibiting the use of potable water for street cleaning.

(5) Consumption reduction methods in the most restrictive stages. Each urban water supplier may use any type of consumption reduction methods in its water shortage contingency analysis that would reduce water use, are appropriate for its area, and have the ability to achieve a water use reduction consistent with up to a 50 percent reduction in water supply.

(6) Penalties or charges for excessive use, where applicable.

(7) An analysis of the impacts of each of the actions and conditions described in paragraphs (1) to (6), inclusive, on the revenues and expenditures of the urban water supplier, and proposed measures to overcome those impacts, such as the development of reserves and rate adjustments.

(8) A draft water shortage contingency resolution or ordinance.

(9) A mechanism for determining actual reductions in water use pursuant to the urban water shortage contingency analysis.

(b) Commencing with the urban water management plan update due July 1, 2016, for purposes of developing the water shortage contingency analysis pursuant to subdivision (a), the urban water supplier shall analyze and define water features that are artificially supplied with water, including ponds, lakes, waterfalls, and fountains, separately from swimming pools and spas, as defined in subdivision (a) of Section 115921 of the Health and Safety Code.

# §10632. Seismic Mitigation. [Effective January 1, 2016.]

(a) In addition to the requirements of paragraph (3) of subdivision (a) of Section 10632, beginning January 1, 2020, the plan shall include a seismic risk assessment and mitigation plan to assess the vulnerability of each of the various facilities of a water system and mitigate those vulnerabilities.

(b) An urban water supplier shall update the seismic risk assessment and mitigation plan when updating its urban water management plan as required by Section 10621.

(c) An urban water supplier may comply with this section by submitting, pursuant to Section 10644, a copy of the most recent adopted local hazard mitigation plan or multihazard mitigation plan under the federal Disaster Mitigation Act of 2000 (Public Law 106-390) if the local hazard mitigation plan or multihazard mitigation plan addresses seismic risk.

# §10633. Information on recycled water.

The plan shall provide, to the extent available, information on recycled water and its potential for use as a water source in the service area of the urban water supplier. The preparation of the plan shall be coordinated with local water, wastewater, groundwater, and planning agencies that operate within the supplier's service area, and shall include all of the following:

(a) A description of the wastewater collection and treatment systems in the supplier's service area, including a quantification of the amount of wastewater collected and treated and the methods of wastewater disposal.

(b) A description of the quantity of treated wastewater that meets recycled water standards, is being discharged, and is otherwise available for use in a recycled water project.

(c) A description of the recycled water currently being used in the supplier's service area, including, but not limited to, the type, place, and quantity of use.

(d) A description and quantification of the potential uses of recycled water, including, but not limited to, agricultural irrigation, landscape irrigation, wildlife habitat enhancement, wetlands, industrial reuse, groundwater recharge, and other appropriate uses, and a determination with regard to the technical and economic feasibility of serving those uses.

(e) The projected use of recycled water within the supplier's service area at the end of 5, 10, 15, and 20 years, and a description of the actual use of recycled water in comparison to uses previously projected pursuant to this subdivision.

(f) A description of actions, including financial incentives, which may be taken to encourage the use of recycled water, and the projected results of these actions in terms of acre-feet of recycled water used per year.

(g) A plan for optimizing the use of recycled water in the supplier's service area, including actions to facilitate the installation of dual distribution systems, to promote recirculating uses, to facilitate the increased use of treated wastewater that meets recycled water standards, and to overcome any obstacles to achieving that increased use.

# §10634. Quantity of Sources.

The plan shall include information, to the extent practicable, relating to the quality of existing sources of water available to the supplier over the same five-year increments as described in subdivision (a) of Section 10631, and the manner in which water quality affects water management strategies and supply reliability.

# Article 2.5 Water Service Reliability

# §10635. Assessment of water reliability.

(a) Every urban water supplier shall include, as part of its urban water management plan, an assessment of the reliability of its water service to its customers during normal, dry, and multiple dry water years. This water supply and demand assessment shall compare the total water supply sources available to the water supplier with the total projected water use over the next 20 years, in five-year increments, for a normal water year, a single dry water year, and multiple dry water years. The water service reliability assessment shall be based upon the information compiled pursuant to Section 10631, including available data from state, regional, or local agency population projections within the service area of the urban water supplier.

(b) The urban water supplier shall provide that portion of its urban water management plan prepared pursuant to this article to any city or county within which it provides water supplies no later than 60 days after the submission of its urban water management plan.

(c) Nothing in this article is intended to create a right or entitlement to water service or any specific level of water service.

(d) Nothing in this article is intended to change existing law concerning an urban water supplier's obligation to provide water service to its existing customers or to any potential future customers.

# Article 3. Adoption and Implementation of Plans §10640. Requirements for urban water supplier.

Every urban water supplier required to prepare a plan pursuant to this part shall prepare its plan pursuant to Article 2 (commencing with Section 10630). The supplier shall likewise periodically review the plan as required by Section 10621, and any amendments or changes required as a result of that review shall be adopted pursuant to this article.

# §10641. Consultation with agencies.

An urban water supplier required to prepare a plan may consult with, and obtain comments from, any public agency or state agency or any person who has special expertise with respect to water demand management methods and techniques.

# §10642. Encouraging community participation.

Each urban water supplier shall encourage the active involvement of diverse social, cultural, and economic elements of the population within the service area prior to and during the preparation of the plan. Prior to adopting a plan, the urban water supplier shall make the plan available for public inspection and shall hold a public hearing thereon. Prior to the hearing, notice of the time and place of hearing shall be published within the jurisdiction of the publicly owned water supplier pursuant to Section 6066 of the Government Code. The urban water supplier shall provide notice of the time and place of hearing to any city or county within which the supplier provides water supplies. A privately owned water supplier shall provide an equivalent notice within its service area. After the hearing, the plan shall be adopted as prepared or as modified after the hearing.

# §10643. Implementation.

An urban water supplier shall implement its plan adopted pursuant to this chapter in accordance with the schedule set forth in its plan.

# §10644. Submission of plan. [Effective January 1, 2016.]

(a)

(1) An urban water supplier shall submit to the department, the California State Library, and any city or county within which the supplier provides water supplies a copy of its plan no later than 30 days after adoption. Copies of amendments or changes to the plans shall be submitted to the department, the California State Library, and any city or county within which the supplier provides water supplies within 30 days after adoption.

(2) The plan, or amendments to the plan, submitted to the department pursuant to paragraph (1) shall be submitted electronically and shall include any standardized forms, tables, or displays specified by the department.

(b)

(1)

(A) Notwithstanding Section 10231.5 of the Government Code, and except as provided in subparagraph (B), the department shall prepare and submit to the Legislature, on or before December 31, in the years ending in six and one, a report summarizing the status of the plans adopted pursuant to this part. The report prepared by the department shall identify the exemplary elements of the individual plans. The department shall provide a copy of the report to each urban water supplier that has submitted its plan to the department. The department shall also prepare reports and provide data for any legislative hearings designed to consider the effectiveness of plans submitted pursuant to this part.

(B) The department shall submit the report to the Legislature for the 2015 plans by July 1, 2017, and the report to the Legislature for the 2020 plans by July 1, 2022.

(2) A report to be submitted pursuant to paragraph (1) shall be submitted in compliance with Section 9795 of the Government Code.

(c)

(1) For the purpose of identifying the exemplary elements of the individual plans, the department shall identify in the report water demand management measures adopted and implemented by specific urban water suppliers, and identified pursuant to Section 10631, that achieve water savings significantly above the levels established by the department to meet the requirements of Section 10631.5.

(2) The department shall distribute to the panel convened pursuant to Section 10631.7 the results achieved by the implementation of those water demand management measures described in paragraph (1).

(3) The department shall make available to the public the standard the department will use to identify exemplary water demand management measures.

# §10645. Availability for public review.

Not later than 30 days after filing a copy of its plan with the department, the urban water supplier and the department shall make the plan available for public review during normal business hours.

# **CHAPTER 4. MISCELLANEOUS PROVISIONS**

# <u>§10650. Commencement of actions.</u>

Any actions or proceedings to attack, review, set aside, void, or annul the acts or decisions of an urban water supplier on the grounds of noncompliance with this part shall be commenced as follows:

(a) An action or proceeding alleging failure to adopt a plan shall be commenced within 18 months after that adoption is required by this part.

(b) Any action or proceeding alleging that a plan, or action taken pursuant to the plan, does not comply with this part shall be commenced within 90 days after filing of the plan or amendment thereto pursuant to Section 10644 or the taking of that action.

# §10651. Extent of actions.

In any action or proceeding to attack, review, set aside, void, or annul a plan, or an action taken pursuant to the plan by an urban water supplier on the grounds of noncompliance with this part, the inquiry shall extend only to whether there was a prejudicial abuse of discretion. Abuse of discretion is established if the supplier has not proceeded in a manner required by law or if the action by the water supplier is not supported by substantial evidence.

# §10652. CEQA Exemption.

The California Environmental Quality Act (Division 13) (commencing with Section 21000) of the Public Resources Code) does not apply to the preparation and adoption of plans pursuant to this part or to the implementation of actions taken pursuant to Section 10632. Nothing in this part shall be interpreted as exempting from the California Environmental Quality Act any project that would significantly affect water supplies for fish and wildlife, or any project for implementation of the plan, other than projects implementing Section 10632, or any project for expanded or additional water supplies.

# §10653. Adoption of Plan and legal requirements.

The adoption of a plan shall satisfy any requirements of state law, regulation, or order, including those of the State Water Resources Control Board and the Public Utilities Commission, for the preparation of water management plans or conservation plans; provided, that if the State Water Resources Control Board or the Public Utilities Commission requires additional information concerning water conservation to implement its existing authority, nothing in this part shall be deemed to limit the board or the commission in obtaining that information. The requirements of this part shall be satisfied by any urban water demand management plan prepared to meet federal laws or regulations after the effective date of this part, and which substantially meets the requirements of this part, or by any existing urban water management plan which includes the contents of a plan required under this part.

# §10654. Cost recovery.

An urban water supplier may recover in its rates the costs incurred in preparing its plan and implementing the reasonable water conservation measures included in the plan. Any best water management practice that is included in the plan that is identified in the "Memorandum of Understanding Regarding Urban Water Conservation in California" is deemed to be reasonable for the purposes of this section.

# §10655. Invalidation of any provisions.

If any provision of this part or the application thereof to any person or circumstances is held invalid, that invalidity shall not affect other provisions or applications of this part which can be given effect without the invalid provision or application thereof, and to this end the provisions of this part are severable.

# §10656. Failure to produce a plan.

An urban water supplier that does not prepare, adopt, and submit its urban water management plan to the department in accordance with this part, is ineligible to receive funding pursuant to Division 24 (commencing with Section 78500) or Division 26 (commencing with Section 79000), or receive drought assistance from the state until the urban water management plan is submitted pursuant to this article.

# PART 2.76. GROUNDWATER QUALITY MONITORING §10780. Groundwater Quality Monitoring Act of 2001.

This part shall be known and may be cited as the Groundwater Quality Monitoring Act of 2001.

# §10781. Monitoring Program and Interagency Task Force.

In order to improve comprehensive groundwater monitoring and increase the availability to the public of information about groundwater contamination, the state board, in consultation with other responsible agencies, as specified in this section, shall do all of the following:

(a) Integrate existing monitoring programs and design new program elements as necessary to establish a comprehensive monitoring program capable of assessing each groundwater basin in the state through direct and other statistically reliable sampling approaches. The interagency task force established pursuant to subdivision (b) shall determine the constituents to be included in the monitoring program. In designing the comprehensive monitoring program, the state board, among other things, shall integrate projects established in response to the Supplemental Report of the 1999 Budget Act, strive to take advantage of and incorporate existing data whenever possible, and prioritize groundwater basins that supply drinking water.

(b)

(1) Create an interagency task force for all of the following purposes:

(A) Identifying actions necessary to establish the monitoring program.

(B) Identifying measures to increase coordination among state and federal agencies that collect information regarding groundwater contamination in the state.

(C) Designing a database capable of supporting the monitoring program that is compatible with the state board's geotracker database.

(D) Assessing the scope and nature of necessary monitoring enhancements.

(E) Identifying the cost of any recommended measures.

(F) Identifying the means by which to make monitoring information available to the public.

(2) The interagency task force shall consist of a representative of each of the following entities:

(A) The state board.

(B) The department.

(C) The State Department of Health Services.

- (D) The Department of Pesticide Regulation.
- (E) The Department of Toxic Substances Control.

(F) The Department of Food and Agriculture.

(c) Convene an advisory committee to the interagency task force, with a membership that includes all of the following:

(1) Two representatives of appropriate federal agencies, if those agencies wish to participate.

(2) Two representatives of public water systems, one of which shall be a representative of a retail water supplier.

(3) Two representatives of environmental organizations.

(4) Two representatives of the business community.

(5) One representative of a local agency that is currently implementing a plan pursuant to Part 2.75 (commencing with Section 10750).

(6) Two representatives of agriculture.

(7) Two representatives from groundwater management entities.

(d)

(1) The members of the advisory committee may receive a per diem allowance for each day's attendance at a meeting of the advisory committee.

(2) The members of the advisory committee may be reimbursed for actual and necessary travel expenses incurred in connection with their official duties.

#### §10782. Communities with contaminated groundwater.

(a) On or before June 1, 2009, the state board shall do both of the following:

(1) Identify and recommend to the Legislature funding options to extend, until January 1, 2024, the comprehensive monitoring program established in accordance with Section 10781.

(2) Make recommendations to enhance the public accessibility of information on groundwater conditions.

(b) On or before January 1, 2012, the state board, in consultation with the State Department of Public Health, the Department of Water Resources, the Department of Pesticide Regulation, the Office of Environmental Health Hazard Assessment, and any other agencies as appropriate, shall submit to the Legislature a report that does all of the following:

(1) Identifies communities that rely on contaminated groundwater as a primary source of drinking water.

(2) Identifies in the groundwater sources for the communities described in paragraph (1) the principal contaminants and other constituents of concern, as identified by the state board, affecting that groundwater and contamination levels.

(3) Identifies potential solutions and funding sources to clean up or treat groundwater or to provide alternative water supplies to ensure the provision of safe drinking water to communities identified in paragraph (1).

(c) The state board shall provide an opportunity for public comment on the report required pursuant to subdivision (b), prior to finalizing the report and submitting it to the Legislature.

#### §10782.3. Support of program.

The state board shall use existing resources to carry out this part, and the operation of the program set forth in this part shall not supplant the operation of any other program required to be undertaken by the state board.

#### §10783. Groundwater Monitoring.

(a) The Legislature finds and declares that protecting the state's groundwater for beneficial use, particularly sources and potential sources of drinking water, is of paramount concern.

(b) The Legislature further finds and declares that strategic, scientifically based groundwater monitoring of the state's oil and gas fields is critical to allaying the public's concerns regarding well stimulation treatments of oil and gas wells.

(c) On or before July 1, 2015, in order to assess the potential effects of well stimulation treatments, as defined in Article 3 (commencing with Section 3150) of Chapter 1 of Division 3 of the Public Resources Code, on the state's groundwater resources in a systematic way, the state board shall develop model groundwater monitoring criteria, to be implemented either on a well-by-well basis for a well subject to well stimulation treatment or on a regional scale. The model criteria shall address a range of spatial sampling scales from methods for conducting appropriate monitoring on individual oil and gas wells subject to a well stimulation treatment, to methods for conducting a regional groundwater monitoring program. The state board shall take into consideration the recommendations received pursuant to subdivision (d) and shall include in the model criteria, at a minimum, the components identified in subdivision (f). The state board shall prioritize monitoring of groundwater that is or has the potential to be a source of drinking water, but shall protect all waters designated for any beneficial use.

(d) The state board, in consultation with the Department of Conservation, Division of Oil, Gas, and Geothermal Resources, shall seek the advice of experts on the design of the model groundwater monitoring criteria. The experts shall assess and make recommendations to the state board on the model criteria. These recommendations shall prioritize implementation of regional groundwater monitoring programs statewide, as warranted, based upon the prevalence of well stimulation treatments of oil and gas wells and groundwater suitable as a source of drinking water.

(e) The state board shall also seek the advice of stakeholders representing the diverse interests of the oil- and gas-producing areas of the state. The stakeholders shall include the oil and gas industry, agriculture, environmental justice, and local government, among others, with regional representation commensurate with the intensity of oil and gas development in that area. The stakeholders shall also make recommendations to the state board regarding the development and implementation of groundwater monitoring criteria, including priority locations for implementation.

(f) The scope and nature of the model groundwater monitoring criteria shall include the determination of all of the following:

(1) An assessment of the areas to conduct groundwater quality monitoring and their appropriate boundaries.

(2) A list of the constituents to measure and assess water quality.

(3) The location, depth, and number of monitoring wells necessary to detect groundwater contamination at spatial scales ranging from an individual oil and gas well to a regional groundwater basin including one or more oil and gas fields.

(4) The frequency and duration of the monitoring.

(5) A threshold criteria indicating a transition from well-by-well monitoring to a regional monitoring program.

(6) Data collection and reporting protocols.

(7) Public access to the collected data under paragraph (6).

(g) Factors to consider in addressing subdivision (f) shall include, but are not limited to, all of the following:

(1) The existing quality and existing and potential use of the groundwater.

(2) Groundwater that is not a source of drinking water consistent with the United States Environmental Protection Agency's definition of an Underground Source of Drinking Water as containing less than 10,000 milligrams per liter total dissolved solids in groundwater (40 C.F.R. 144.3), including exempt aquifers pursuant to Section 146.4 of Title 40 of the Code of Federal Regulations.

(3) Proximity to human population, public water service wells, and private groundwater use, if known.

(4) The presence of existing oil and gas production fields, including the distribution, physical attributes, and operational status of oil and gas wells therein.

(5) Events, including well stimulation treatments and oil and gas well failures, among others, that have the potential to contaminate groundwater, appropriate monitoring to evaluate whether groundwater contamination can be attributable to a particular event, and any monitoring changes necessary if groundwater contamination is observed.

(h)

(1) On or before January 1, 2016, the state board or appropriate regional board shall begin implementation of the regional groundwater monitoring programs based upon the model criteria developed under subdivision (c).

(2) In the absence of state implementation of a regional groundwater monitoring program, a well owner or operator may develop and implement an area-specific groundwater monitoring program, for the purpose of subparagraph (D) of paragraph (3) of subdivision (d) of Section 3160 of the Public Resources Code, based upon the model criteria developed under subdivision (c), subject to approval by the state or regional board, and that meets the requirements of this section.

(i) The model criteria for either a well-by-well basis for a well subject to well stimulation treatment, or for a regional groundwater monitoring program, shall be used to satisfy the permitting requirements for well stimulation treatments on oil and gas wells pursuant to Section 3160 of the Public Resources Code. The model criteria used on a well-by-well basis for a well subject to a well stimulation treatment shall be used where no regional groundwater monitoring plan approved by the state or regional board, if applicable, exists and has been implemented by either the state or regional board or the well owner or operator.

(j) The model criteria shall accommodate monitoring where surface access is limited. Monitoring is not required for oil and gas wells where the wells do not penetrate groundwater of beneficial use, as determined by a regional water quality control board, or solely penetrate exempt aquifers pursuant to Section 146.4 of Title 40 of the Code of Federal Regulations.

(k)

(1) The model criteria and groundwater monitoring programs shall be reviewed and updated periodically, as needed.

(2) The use of the United States Environmental Protection Agency's definition of an Underground Source of Drinking Water as containing less than 10,000 milligrams per liter total dissolved solids in groundwater (40 C.F.R. 144.3) and whether exempt aquifers pursuant to Section 146.4 of Title 40 of the Code of Federal Regulations shall be subject to groundwater monitoring shall be reviewed by the state board through a public process on or before January 1, 2020.

# (1)

(1) All groundwater quality data collected pursuant to subparagraph (F) of paragraph (1) of subdivision (d) of Section 3160 of the Public Resources Code shall be submitted to the state board in an electronic format that is compatible with the state board's GeoTracker database, following the guidelines detailed in Chapter 30 (commencing with Section 3890) of Division 3 of Title 23 of the California Code of Regulations.

(2) A copy of the reported data under paragraph (1) shall be transferred by the state board to a public, nonprofit doctoral-degree-granting educational institution located in the San Joaquin Valley, administered pursuant to Section 9 of Article IX of the California Constitution, in order to form the basis of a comprehensive groundwater quality data repository to promote research, foster interinstitutional collaboration, and seek understanding of the numerous factors influencing the state's groundwater.

(m) The adoption of criteria required pursuant to this section is exempt from the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code). The adoption of criteria pursuant to this section shall instead be accomplished by means of a public process reasonably calculated to give those persons interested in their adoption an opportunity to be heard.

# PART 2.10. WATER SUPPLY PLANNING TO SUPPORT EXISTING AND PLANNED FUTURE USES

#### §10910. Water Demand Projects.

(a) Any city or county that determines that a project, as defined in Section 10912, is subject to the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) under Section 21080 of the Public Resources Code shall comply with this part.

(b) The city or county, at the time that it determines whether an environmental impact report, a negative declaration, or a mitigated negative declaration is required for any project subject to the California Environmental Quality Act pursuant to Section 21080.1 of the Public Resources Code, shall identify any water system whose service area includes the project site and any water system adjacent to the project site that is, or may become as a result of supplying water to the project identified pursuant to this subdivision, a public water system, as defined in Section 10912, that may supply water for the project. If the city or county is not able to identify any public water system that may supply water for the project, the city or county shall prepare the water assessment required by this part after consulting with any entity serving domestic water supplies whose service area includes the project site, the local agency formation commission, and any public water system adjacent to the project site.

(c)

(1) The city or county, at the time it makes the determination required under Section 21080.1 of the Public Resources Code, shall request each public water system identified pursuant to subdivision (b) to determine whether the projected water demand associated with a proposed project was included as part of the most recently adopted urban water management plan adopted pursuant to Part 2.6 (commencing with Section 10610).

(2) If the projected water demand associated with the proposed project was accounted for in the most recently adopted urban water management plan, the public water system may incorporate the requested information from the urban water management plan in preparing the elements of the assessment required to comply with subdivisions (d), (e), (f), and (g).

(3) If the projected water demand associated with the proposed project was not accounted for in the most recently adopted urban water management plan, or the public water system has no urban water management plan, the water supply assessment for the project shall include a discussion with regard to whether the public water system's total projected water supplies available during normal, single dry, and multiple dry water years during a 20-year projection will meet the projected water demand associated with the proposed project, in addition to the public water system's existing and planned future uses, including agricultural and manufacturing uses.

(4) If the city or county is required to comply with this part pursuant to subdivision (b), the water supply assessment for the project shall include a discussion with regard to whether the total projected water supplies, determined to be available by the city or county for the project during normal, single dry, and multiple dry water years during a 20-year projection, will meet the projected water demand associated with the proposed project, in addition to existing and planned future uses, including agricultural and manufacturing uses.

#### (d)

(1) The assessment required by this section shall include an identification of any existing water supply entitlements, water rights, or water service contracts relevant to the identified water supply for the proposed project, and a description of the quantities of water received in prior years by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), under the existing water supply entitlements, water rights, or water service contracts.

(2) An identification of existing water supply entitlements, water rights, or water service contracts held by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), shall be demonstrated by providing information related to all of the following:

(A) Written contracts or other proof of entitlement to an identified water supply.

(B) Copies of a capital outlay program for financing the delivery of a water supply that has been adopted by the public water system.

(C) Federal, state, and local permits for construction of necessary infrastructure associated with delivering the water supply.

(D) Any necessary regulatory approvals that are required in order to be able to convey or deliver the water supply.

(e) If no water has been received in prior years by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), under the existing water supply entitlements, water rights, or water service contracts, the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), shall also include in its water supply assessment pursuant to subdivision (c), an identification of the other public water systems or water service contractholders that receive a water supply or have existing water supply entitlements, water rights, or water service contracts, to the same source of water as the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), has identified as a source of water supply within its water supply assessments.

(f) If a water supply for a proposed project includes groundwater, the following additional information shall be included in the water supply assessment:

(1) A review of any information contained in the urban water management plan relevant to the identified water supply for the proposed project.

(2)

(A) A description of any groundwater basin or basins from which the proposed project will be supplied.

(B) For those basins for which a court or the board has adjudicated the rights to pump groundwater, a copy of the order or decree adopted by the court or the board and a description of the amount of groundwater the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), has the legal right to pump under the order or decree.

(C) For a basin that has not been adjudicated that is a basin designated as high- or medium-priority pursuant to Section 10722.4, information regarding the following:

(i) Whether the department has identified the basin as being subject to critical conditions of overdraft pursuant to Section 12924.

(ii) If a groundwater sustainability agency has adopted a groundwater sustainability plan or has an approved alternative, a copy of that alternative or plan.

(D) For a basin that has not been adjudicated that is a basin designated as low- or very low priority pursuant to Section 10722.4, information as to whether the department has identified the basin or basins as overdrafted or has projected that the basin will become overdrafted if present management conditions continue, in the most current bulletin of the department that characterizes the condition of the groundwater basin, and a detailed description by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), of the efforts being undertaken in the basin or basins to eliminate the long-term overdraft condition.

(3) A detailed description and analysis of the amount and location of groundwater pumped by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), for the past five years from any groundwater basin from which the proposed project will be supplied. The description and analysis shall be based on information that is reasonably available, including, but not limited to, historic use records.

(4) A detailed description and analysis of the amount and location of groundwater that is projected to be pumped by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), from any basin from which the proposed project will be supplied. The description and analysis shall be based on information that is reasonably available, including, but not limited to, historic use records.

(5) An analysis of the sufficiency of the groundwater from the basin or basins from which the proposed project will be supplied to meet the projected water demand associated with the proposed project. A water supply assessment shall not be required to include the information required by this paragraph if the public water system determines, as part of the review required by paragraph (1), that the sufficiency of groundwater necessary to meet the initial and projected water demand associated with the project was addressed in the description and analysis required by paragraph (4) of subdivision (b) of Section 10631.

# (g)

(1) Subject to paragraph (2), the governing body of each public water system shall submit the assessment to the city or county not later than 90 days from the date on which the request was received. The governing body of each public water system, or the city or county if either is required to comply with this act pursuant to subdivision (b), shall approve the assessment prepared pursuant to this section at a regular or special meeting.

(2) Prior to the expiration of the 90-day period, if the public water system intends to request an extension of time to prepare and adopt the assessment, the public water system shall meet with the city or county to request an extension of time, which shall not exceed 30 days, to prepare and adopt the assessment.

(3) If the public water system fails to request an extension of time, or fails to submit the assessment notwithstanding the extension of time granted pursuant to paragraph (2), the city or county may seek a writ of mandamus to compel the governing body of the public water system to comply with the requirements of this part relating to the submission of the water supply assessment.

(h) Notwithstanding any other provision of this part, if a project has been the subject of a water supply assessment that complies with the requirements of this part, no additional water supply assessment shall be required for subsequent projects that were part of a larger project for which a water supply assessment was completed and that has complied with the requirements of this part and for which the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), has concluded that its water supplies are sufficient to meet the projected water demand associated with the proposed project, in addition to the existing and planned future uses, including, but not limited to, agricultural and industrial uses, unless one or more of the following changes occurs:

(1) Changes in the project that result in a substantial increase in water demand for the project.

(2) Changes in the circumstances or conditions substantially affecting the ability of the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), to provide a sufficient supply of water for the project.

(3) Significant new information becomes available that was not known and could not have been known at the time when the assessment was prepared.

(i) For the purposes of this section, hauled water is not considered as a source of water.

# §10912. Definitions. (Operative until January 1, 2018.)

For the purposes of this part, the following terms have the following meanings:

(a) "Project" means any of the following:

(1) A proposed residential development of more than 500 dwelling units.

(2) A proposed shopping center or business establishment employing more than 1,000 persons or having more than 500,000 square feet of floor space.

(3) A proposed commercial office building employing more than 1,000 persons or having more than 250,000 square feet of floor space.

(4) A proposed hotel or motel, or both, having more than 500 rooms.

(5)

(A) Except as otherwise provided in subparagraph (B), a proposed industrial, manufacturing, or processing plant, or industrial park planned to house more than 1,000 persons, occupying more than 40 acres of land, or having more than 650,000 square feet of floor area.

(B) A proposed photovoltaic or wind energy generation facility approved on or after October 8, 2011, is not a project if the facility would demand no more than 75 acre-feet of water annually.

(6) A mixed-use project that includes one or more of the projects specified in this subdivision.

(7) A project that would demand an amount of water equivalent to, or greater than, the amount of water required by a 500 dwelling unit project.

(b) If a public water system has fewer than 5,000 service connections, then "project" means any proposed residential, business, commercial, hotel or motel, or industrial development that would account for an increase of 10 percent or more in the number of the public water system's existing service connections, or a mixed-use project that would demand an amount of water equivalent to, or greater than, the amount of water required by residential development that would represent an increase of 10 percent or more in the number of the public water system's existing service connections.

(c) "Public water system" means a system for the provision of piped water to the public for human consumption that has 3,000 or more service connections. A public water system includes all of the following:

(1) Any collection, treatment, storage, and distribution facility under control of the operator of the system that is used primarily in connection with the system.

(2) Any collection or pretreatment storage facility not under the control of the operator that is used primarily in connection with the system.

(3) Any person who treats water on behalf of one or more public water systems for the purpose of rendering it safe for human consumption.

(d) This section shall remain in effect only until January 1, 2018, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2018, deletes or extends that date.

# §10912. Definitions. (Operative on January 1, 2018.)

For the purposes of this part, the following terms have the following meanings:

(a) "Project" means any of the following:

(1) A proposed residential development of more than 500 dwelling units.

(2) A proposed shopping center or business establishment employing more than 1,000 persons or having more than 500,000 square feet of floor space.

(3) A proposed commercial office building employing more than 1,000 persons or having more than 250,000 square feet of floor space.

(4) A proposed hotel or motel, or both, having more than 500 rooms.

(5) A proposed industrial, manufacturing, or processing plant, or industrial park planned to house more than 1,000 persons, occupying more than 40 acres of land, or having more than 650,000 square feet of floor area.

(6) A mixed-use project that includes one or more of the projects specified in this subdivision.

(7) A project that would demand an amount of water equivalent to, or greater than, the amount of water required by a 500 dwelling unit project.

(b) If a public water system has fewer than 5,000 service connections, then "project" means any proposed residential, business, commercial, hotel or motel, or industrial development that would account for an increase of 10 percent or more in the number of the public water system's existing service connections, or a mixed-use project that would demand an amount of water equivalent to, or greater than, the amount of water required by residential development that would represent an increase of 10 percent or more in the number of the public water system's existing service connections.

(c) "Public water system" means a system for the provision of piped water to the public for human consumption that has 3,000 or more service connections. A public water system includes all of the following:

(1) Any collection, treatment, storage, and distribution facility under control of the operator of the system that is used primarily in connection with the system.

(2) Any collection or pretreatment storage facility not under the control of the operator that is used primarily in connection with the system.

(3) Any person who treats water on behalf of one or more public water systems for the purpose of rendering it safe for human consumption.

(d) This section shall become operative on January 1, 2018.

# DIVISION 7. WATER QUALITY CHAPTER 1. POLICY §13000. Declaration.

The Legislature finds and declares that the people of the state have a primary interest in the conservation, control, and utilization of the water resources of the state, and that the quality of all the waters of the state shall be protected for use and enjoyment by the people of the state.

The Legislature further finds and declares that activities and factors which may affect the quality of the waters of the state shall be regulated to attain the highest water quality which is reasonable, considering all demands being made and to be made on those waters and the total values involved, beneficial and detrimental, economic and social, tangible and intangible.

The Legislature further finds and declares that the health, safety and welfare of the people of the state requires that there be a statewide program for the control of the quality of all the waters of the state; that the state must be prepared to exercise its full power and jurisdiction to protect the quality of waters in the state from degradation originating inside or outside the boundaries of the state; that the waters of the state are increasingly influenced by interbasin water development projects and other statewide considerations; that factors of precipitation, topography, population, recreation, agriculture, industry and economic development vary from region to region within the state; and that the statewide program for water quality control can be most effectively administered regionally, within a framework of statewide coordination and policy.

# §13001. Declaration.

It is the intent of the Legislature that the state board and each regional board shall be the principal state agencies with primary responsibility for the coordination and control of water quality. The state board and regional boards in exercising any power granted in this division shall conform to and implement the policies of this chapter and shall, at all times, coordinate their respective activities so as to achieve a unified and effective water quality control program in this state.

# §13002. Declaration.

No provision of this division or any ruling of the state board or a regional board is a limitation:

(a) On the power of a city or county or city and county to adopt and enforce additional regulations, not in conflict therewith, imposing further conditions, restrictions, or limitations with respect to the disposal of waste or any other activity which might degrade the quality of the waters of the state.

(b) On the power of any city or county or city and county to declare, prohibit, and abate nuisances.

(c) On the power of the Attorney General, at the request of a regional board, the state board, or upon his own motion, to bring an action in the name of the people of the State of California to enjoin any pollution or nuisance.

(d) On the power of a state agency in the enforcement or administration of any provision of law which it is specifically permitted or required to enforce or administer.

(e) On the right of any person to maintain at any time any appropriate action for relief against any private nuisance as defined in the Civil Code or for relief against any contamination or pollution.

# CHAPTER 1.5. SHORT TITLE §13020. Division Title.

This division shall be known and may be cited as the Porter-Cologne Water Quality Control Act.

# CHAPTER 2. DEFINITIONS <u>§13050. Definitions.</u>

As used in this division:

(a) "State board" means the State Water Resources Control Board.

(b) "Regional board" means any California regional water quality control board for a region as specified in Section 13200.

(c) "Person" includes any city, county, district, the state, and the United States, to the extent authorized by federal law.

(d) "Waste" includes sewage and any and all other waste substances, liquid, solid, gaseous, or radioactive, associated with human habitation, or of human or animal origin, or from any producing, manufacturing, or processing operation, including waste placed within containers of whatever nature prior to, and for purposes of, disposal.

(e) "Waters of the state" means any surface water or groundwater, including saline waters, within the boundaries of the state.

(f) "Beneficial uses" of the waters of the state that may be protected against quality degradation include, but are not limited to, domestic, municipal, agricultural and industrial supply; power generation; recreation; aesthetic enjoyment; navigation; and preservation and enhancement of fish, wildlife, and other aquatic resources or preserves.

(g) "Quality of the water" refers to chemical, physical, biological, bacteriological, radiological, and other properties and characteristics of water which affect its use.

(h) "Water quality objectives" means the limits or levels of water quality constituents or characteristics which are established for the reasonable protection of beneficial uses of water or the prevention of nuisance within a specific area.

(i) "Water quality control" means the regulation of any activity or factor which may affect the quality of the waters of the state and includes the prevention and correction of water pollution and nuisance.

(j) "Water quality control plan" consists of a designation or establishment for the waters within a specified area of all of the following:

- (1) Beneficial uses to be protected.
- (2) Water quality objectives.
- (3) A program of implementation needed for achieving water quality objectives.

(k) "Contamination" means an impairment of the quality of the waters of the state by waste to a degree which creates a hazard to the public health through poisoning or through the spread of disease. "Contamination" includes any equivalent effect resulting from the disposal of waste, whether or not waters of the state are affected.

(1)

(1) "Pollution" means an alteration of the quality of the waters of the state by waste to a degree which unreasonably affects either of the following:

(A) The waters for beneficial uses.

(B) Facilities which serve these beneficial uses.

(2) "Pollution" may include "contamination."

(m) "Nuisance" means anything which meets all of the following requirements:

(1) Is injurious to health, or is indecent or offensive to the senses, or an obstruction to the free use of property, so as to interfere with the comfortable enjoyment of life or property.

(2) Affects at the same time an entire community or neighborhood, or any considerable number of persons, although the extent of the annoyance or damage inflicted upon individuals may be unequal.

(3) Occurs during, or as a result of, the treatment or disposal of wastes.

(n) "Recycled water" means water which, as a result of treatment of waste, is suitable for a direct beneficial use or a controlled use that would not otherwise occur and is therefore considered a valuable resource.

(o) "Citizen or domiciliary" of the state includes a foreign corporation having substantial business contacts in the state or which is subject to service of process in this state.

(p):

(1) "Hazardous substance" means either of the following:

(A) For discharge to surface waters, any substance determined to be a hazardous substance pursuant to Section 311(b)(2) of the Federal Water Pollution Control Act (33 U.S.C. Sec. 1251 et seq.).

(B) For discharge to groundwater, any substance listed as a hazardous waste or hazardous material pursuant to Section 25140 of the Health and Safety Code, without regard to whether the substance is intended to be used, reused, or discarded, except that "hazardous substance" does not include any substance excluded from Section 311 (b)(2) of the Federal Water Pollution Control Act because it is within the scope of Section 311(a)(1) of that act.

(2) "Hazardous substance" does not include any of the following:

(A) Nontoxic, nonflammable, and noncorrosive stormwater runoff drained from underground vaults, chambers, or manholes into gutters or storm sewers.

(B) Any pesticide which is applied for agricultural purposes or is applied in accordance with a cooperative agreement authorized by Section 116180 of the Health and Safety Code, and is not discharged accidentally or for purposes of disposal, the application of which is in compliance with all applicable state and federal laws and regulations.

(C) Any discharge to surface water of a quantity less than a reportable quantity as determined by regulations issued pursuant to Section 311(b)(4) of the Federal Water Pollution Control Act.

(D) Any discharge to land which results, or probably will result, in a discharge to groundwater if the amount of the discharge to land is less than a reportable quantity, as determined by regulations adopted pursuant to Section 13271, for substances listed as hazardous pursuant to Section 25140 of the Health and Safety Code. No discharge shall be deemed a discharge of a reportable quantity until regulations set a reportable quantity for the substance discharged.

(q)

(1) "Mining waste" means all solid, semisolid, and liquid waste materials from the extraction, beneficiation, and processing of ores and minerals. Mining waste includes, but is not limited to, soil, waste rock, and overburden, as defined in Section 2732 of the Public Resources Code, and tailings, slag, and other processed waste materials, including cementitious materials that are managed at the cement manufacturing facility where the materials were generated.

(2) For the purposes of this subdivision, "cementitious material" means cement, cement kiln dust, clinker, and clinker dust.

(r) "Master recycling permit" means a permit issued to a supplier or a distributor, or both, of recycled water, that includes waste discharge requirements prescribed pursuant to Section 13263 and water recycling requirements prescribed pursuant to Section 13523.1.

# §13051. Definition of injection well.

As used in this division, "injection well" means any bored, drilled, or driven shaft, dug pit, or hole in the ground into which waste or fluid is discharged, and any associated subsurface appurtenances, and the depth of which is greater than the circumference of the shaft, pit, or hole.

# CHAPTER 3. STATE WATER QUALITY CONTROL

# §13169. Groundwater protection program.

(a) The state board is authorized to develop and implement a groundwater protection program as provided under the Safe Drinking Water Act, Section 300 and following of Title 42 of the United States Code, and any federal act that amends or supplements the Safe Drinking Water Act. The authority of the state board under this section includes, but is not limited to, the following:

(1) To apply for and accept state groundwater protection grants from the federal government.

(2) To take any additional action as may be necessary or appropriate to assure that the state's groundwater protection program complies with any federal regulations issued pursuant to the Safe Drinking Water Act or any federal act that amends or supplements the Safe Drinking Water Act.

(b) Nothing in this section is intended to expand the authority of the state board as authorized under the Porter-Cologne Water Quality Control Act (Div. 7 (commencing with Sec. 13000) Wat. C.).

#### §13176. Laboratory analyses.

(a)

(1) The analysis of any material required by this division shall be performed by a laboratory that has accreditation or certification pursuant to Article 3 (commencing with Section 100825) of Chapter 4 of Part 1 of Division 101 of the Health and Safety Code.

(2) This requirement does not apply to field tests, such as tests for color, odor, turbidity, pH, temperature, dissolved oxygen, conductivity, and disinfectant residual.

(b) A person or public entity of the state shall not contract with a laboratory for environmental analyses required by paragraph (1) of subdivision (a) unless the laboratory has valid accreditation or certification.

# **CHAPTER 4. REGIONAL WATER QUALITY CONTROL**

# Article 4. Waste Discharge Requirements

# §13272. Reporting of petroleum discharge into state waters.

(a) Except as provided by subdivision (b), any person who, without regard to intent or negligence, causes or permits any oil or petroleum product to be discharged in or on any waters of the state, or discharged or deposited where it is, or probably will be, discharged in or on any waters of the state, shall, as soon as (1) that person has knowledge of the discharge, (2) notification is possible, and (3) notification can be provided without substantially impeding cleanup or other emergency measures, immediately notify the Office of Emergency Services of the discharge in accordance with the spill reporting provision of the California oil spill contingency plan adopted pursuant to Article 3.5 (commencing with Section 8574.1) of Chapter 7 of Division 1 of Title 2 of the Government Code.

(b) The notification required by this section shall not apply to a discharge in compliance with waste discharge requirements or other provisions of this division.

(c) Any person who fails to provide the notice required by this section is guilty of a misdemeanor and shall be punished by a fine of not less than five hundred dollars (\$500) or more than five thousand dollars (\$5,000) per day for each day of failure to notify, or imprisonment of not more than one year, or both. Except where a discharge to the waters of this state would have occurred but for cleanup or emergency response by a public agency, this subdivision shall not apply to any discharge to land that does not result in a discharge to the waters of this state. This subdivision shall not apply to any person who is fined by the federal government for a failure to report a discharge of oil.

(d) Notification received pursuant to this section or information obtained by use of that notification shall not be used against any person providing the notification in any criminal case, except in a prosecution for perjury or giving a false statement.

(e) Immediate notification to the appropriate regional board of the discharge, in accordance with reporting requirements set under Section 13267 or 13383, shall constitute compliance with the requirements of subdivision (a).

(f) The reportable quantity for oil or petroleum products shall be one barrel (42 gallons) or more, by direct discharge to the receiving waters, unless a more restrictive reporting standard for a particular body of water is adopted.

#### §13272.1. MTBE discharge list.

Each regional board shall publish and distribute on a quarterly basis to all public water system operators within the region of the regional board, a list of discharges of MTBE that occurred during the quarter and a list of locations where MTBE was detected in the groundwater within the region of the regional board.

#### §13275. Public water system rights [Effective January 1, 2016.]

(a) Notwithstanding any other law, a public water system regulated by the state board pursuant to Chapter 4 (commencing with Section 116270) of Part 12 of Division 104 of the Health and Safety Code shall have the same legal rights and remedies against a responsible party, when the water supply used by that public water system is contaminated, as those of a private land owner whose groundwater has been contaminated.

(b) For purposes of this section, "responsible party" has the same meaning as defined in Section 25323.5 of the Health and Safety Code.

# **CHAPTER 4. REGIONAL WATER QUALITY CONTROL**

Article 5. Individual Disposal Systems

§13285. MTBE. [Effective January 1, 2016.]

(a) A discharge from a storage tank, pipeline, or other container of methyl tertiary-butyl ether (MTBE), or of any pollutant that contains MTBE, that poses a threat to drinking water, or to groundwater or surface water that may reasonably be used for drinking water, or to coastal waters shall be cleaned up to a level consistent with subdivisions (a) and (b) of Section 25296.10 of the Health and Safety Code.

(b)

(1) A public water system, or its customers, shall not be responsible for remediation or treatment costs associated with MTBE, or a product that contains MTBE. However, the public water system may, as necessary, incur MTBE remediation and treatment costs and include those costs in its customer rates and charges that are necessary to comply with drinking water standards or directives of the state board or other lawful authority. A public water system that incurs MTBE remediation or treatment costs may seek recovery of those costs from parties responsible for the MTBE contamination, or from other available alternative sources of funds.

(2) If the public water system has included the costs of MTBE treatment and remediation in its customer rates and charges, and subsequently recovers all, or a portion of, its MTBE treatment and remediation costs from responsible parties or other available alternative sources of funds, it shall make an adjustment to its schedule of rates and charges to reflect the amount of funding received from responsible parties or other available alternative sources of funds for MTBE treatment or remediation.

(3) Paragraph (1) does not prevent the imposition of liability on any person for the discharge of MTBE if that liability is due to the conduct or status of that person independently of whether the person happens to be a customer of the public water system.

# **CHAPTER 6. FINANCIAL ASSISTANCE**

# Article 1. State Water Quality Control Fund

# §13400. Definitions [Effective January 1, 2016.]

As used in this chapter, unless otherwise apparent from the context:

(a) "Facilities" means any of the following:

(1) Facilities for the collection, treatment, or export of waste when necessary to prevent water pollution.

(2) Facilities to recycle wastewater and to convey recycled water.

(3) Facilities or devices to conserve water.

(4) Any combination of the facilities described in paragraph (1), (2), or (3).

(b) "Fund" means the State Water Quality Control Fund.

(c) "Not-for-profit organization" means an organization operated on a not-for-profit basis, including, but not limited to, an association, cooperative, or private corporation that is a public water system, as defined in Section 116275 of the Health and Safety Code, that meets technical, managerial, and financial capacity criteria specified by the state board for public water systems, or that is subject to regulatory authority pursuant to this division."Not-for-profit organization" includes only an organization that is either controlled by a local public body or bodies or has a broadly based ownership by, or membership of, people of the local community.

(d) "Public agency" means any city, county, city and county, district, or other political subdivision of the state.

# §13401. Fund's continuing existence

(a) The State Water Quality Control Fund is continued in existence. The following moneys in the fund are appropriated, without regard to fiscal years, for expenditure by the state board in making loans to public agencies in accordance with this chapter:

(1) The balance of the original moneys deposited in the fund.

(2) Any money repaid to the fund.

(3) Any remaining balance of the money in the fund deposited therein after the specific appropriations for loans to the South Tahoe Public Utility District, the North Tahoe Public Utility District, the Tahoe City Public Utility District, the Truckee Sanitary District, and to any other governmental entity in the areas served by such districts have been made.

(b) Notwithstanding subdivision (a), upon the order of the state board, the money in the State Water Quality Control Fund shall be transferred to the State Water Pollution Control Revolving Fund.

# Article 2. Loans to Local Agencies <u>§13410. Applications.</u>

Applications for construction loans under this chapter shall include:

(a) A description of the proposed facilities.

(b) A statement of facts showing the necessity for the proposed facilities and showing that funds of the public agency are not available for financing such facilities and that the sale of revenue or general obligation bonds through private financial institutions is impossible or would impose an unreasonable burden on the public agency.

(c) A proposed plan for repaying the loan.

(d) Other information as required by the state board.

# §13411. DPH consultation

Upon a determination by the state board, after consultation with the State Department of Health, that

(a) the facilities proposed by an applicant are necessary to the health or welfare of the inhabitants of the state,

(b) that the proposed facilities meet the needs of the applicant,

(c) that funds of the public agency are not available for financing such facilities and that the sale of revenue or general obligation bonds through private financial institutions is impossible or would impose an unreasonable burden on the public agency,

(d) that the proposed plan for repayment is feasible,

(e) in the case of facilities proposed under Section 13400(c)(1) that such facilities are necessary to prevent water pollution,

(f) in the case of facilities proposed under Section 13400(c)(2) that such facilities will produce recycled water and that the public agency has adopted a feasible program for use thereof, and

(g) in the case of facilities proposed under Section 13400(c)(3) that such facilities are a cost effective means of conserving water, the state board, subject to approval by the Director of Finance, may loan to the applicant such sum as it determines is not otherwise available to the public agency to construct the proposed facilities.

# <u>§13412. Repayment</u>

No loan shall be made to a public agency unless it executes an agreement with the state board under which it agrees to repay the amount of the loan, with interest, within 25 years at 50 percent of the average interest rate paid by the state on general obligation bonds sold in the calendar year immediately preceding the year in which the loan agreement is executed.

# §13413. Construction halted under health department orders

It is the policy of this state that, in making construction loans under this article, the state board should give special consideration to facilities proposed to be constructed by public agencies in areas in which further construction of buildings has been halted by order of the State Department of Health or a local health department, or both, or notice has been given that such an order is being considered; provided, however, that the public agencies designated in this section shall otherwise comply with and meet all requirements of other provisions of this chapter.

# §13414. Funding monies repaid

All money received in repayment of loans under this chapter shall be paid to the State Treasurer and credited to the fund.

# §13415. Loans for studies and investigations

(a) Loans may be made by the state board to public agencies to pay not more than onehalf of the cost of studies and investigations made by such public agencies in connection with waste water reclamation.

(b) Not more than a total of two hundred thousand dollars (\$200,00) shall be loaned pursuant to this section in any fiscal year, and not more than fifty thousand dollars (\$50,000) shall be loaned to any public agency in any fiscal year pursuant to this section. In the event that less than two million dollars (\$2,000,000) is available in any fiscal year for loans under this article, then not more than 10 percent of the available amount shall be available for loans for studies and investigations pursuant to this section.

(c) Applications for such loans shall be made in such form, and shall contain such information, as may be required by the state board.

(d) Such loans shall be repaid within a period not to exceed 10 years, with interest at a rate established in the manner provided in Section 13412.

# §13416. Election required to enter into loan contract

Before a public agency may enter into a contract with the state board for a construction loan under this chapter, the public agency shall hold an election on the proposition of whether or not the public agency shall enter into the proposed contract and more than 50 percent of the votes cast at such election must be in favor of such proposition.

# §13417. Election procedure

The election shall be held in accordance with the following provisions:

(a) The procedure for holding an election on the incurring of bonded indebtedness by such public agency shall be utilized for an election of the proposed contract as nearly as the same may be applicable. Where the law applicable to such agency does not contain such bond election procedure, the procedure set forth in the Revenue Bond Law of 1941 (Chapter 6 (commencing with Section 54300) Part 1, Division 2, Title 5 of the Government Code), as it may now or hereafter be amended, shall be utilized as nearly as the same may be applicable.

(b) No particular form of ballot is required.

(c) The notice of the election shall include a statement of the time and place of the election, the purpose of the election, the general purpose of the contract, and the maximum amount of money to be borrowed from the state under the contract.

(d) The ballots for the election shall contain a brief statement of the general purpose of the contract substantially as stated in the notice of the election, shall state the maximum amount of money to be borrowed from the state under the contract, and shall contain the words "Execution of contract --Yes" and "Execution of contract--No."(e) The election shall be held in the entire public agency except where the public agency proposes to contract with the state board on behalf of a specified portion, or of specified portions of the public agency, in which case the election shall be held in such portion or portions of the public agency only.

# §13418. Tahoe moratorium

Notwithstanding any provision of this chapter or any other provision of law, including, but not limited to, the provisions of Chapter 47 and 137 of the Statutes of 1966, First Extraordinary Session, Chapter 1679 of the Statutes of 1967, Chapter 1356 of the Statutes of 1969, and Chapter 920 of the Statutes of 1970, or the provisions of any existing loan contract entered into pursuant to this chapter or any other such provision of law, there shall be a two-year moratorium following the effective date of this section on that portion of the principal and interest payments otherwise required in repayment of funds heretofore loaned to the North Tahoe Public Utility District, the Tahoe City Public Utility District, the South Tahoe Public Utility District, the Truckee Sanitary District, the Squaw Valley County Water District, and the Alpine Springs County Water District pursuant to this chapter or any act of the Legislature authorizing a state loan for the purpose of permitting any such agency to construct necessary sewage and storm drainage facilities to prevent and control water pollution in the area served by such agency, equal in percentage, as determined by the Department of Finance, to the percentage of property tax revenues lost to the agency by reason of the adoption of Article XIIIA of the California Constitution, unless moneys are otherwise available for such repayment from state allocations or the sale of bonds authorized on or before July 1, 1978, but unissued. The provisions of this section do not apply to any sums which are required to be repaid immediately or in accordance with an accelerated time schedule pursuant to a duly entered stipulated judgment between the State of California and the Tahoe City Public Utility District. Interest on loans shall accrue during the moratorium period and be repaid by the recipients of the loans, in addition to the normal principal and interest payments.

#### Article 2.5 Local Bonds \$13425 Applications

<u>§13425. Applications</u>

Applications for guarantees for local agency bonds under this chapter shall include: (a) A description of the proposed facilities.

(b) A financing plan for the proposed facilities, including the amount of debt and maximum term to maturity of the proposed local agency bond issue and identification of sources of revenue that will be dedicated to payment of principal and interest on the bonds.

(c) Other information as required by the state board. The state board may provide that the application may be combined with applications for any other source of funds administered by the state board.

# §13426. Guarantees of Local Agency Bond Issues

The state board, subject to approval by the Director of Finance, may agree to provide a guarantee pursuant to this article for all or a specified part of the proposed local agency bond issue upon making all of the following determinations:

(a) The facilities proposed by an applicant are necessary to the health or welfare of the inhabitants of the state and are consistent with water quality control plans adopted by regional boards.

(b) The proposed facilities meet the needs of the applicant.

(c) The proposed bond issue and plan repayment are sound and feasible.

(d) In the case of facilities proposed under paragraph (2) of subdivision (a) of Section 13400, the facilities will produce recycled water and the applicant has adopted a feasible program for the use of the facilities. The state board may adopt criteria for ranking and setting priorities among applicants for those guarantees.

# §13427. Agreement by applicant

No guarantee shall be extended to any applicant unless it executes an agreement wit the state board under which the applicant agrees to the following provisions:

(a) To proceed expeditiously with, and complete, the proposed project.

(b) To commence operation of the project on completion, and to properly operate and maintain the work in accordance with applicable provisions of law.

(c) To issue bonds and to levy fines, charges, assessments, or taxes to pay the principal of, and interest on, the bonds as described in the application.

(d) To diligently and expeditiously collect those levies, including timely exercise of available legal remedies in the event of delinquency or default.

(e) To act in accordance with such other provisions as the state board may require.

# §13428. Clean Water Bond Guarantee Fund

Notwithstanding Section 13340 of the Government Code, the money in the Clean Water Bond Guarantee Fund, which is hereby created, is continuously appropriated to the state board without regard to fiscal years for the purposes of this chapter.

# §13429. Investment of money in fund

Money in the Clean Water Bond Guarantee Fund not needed for making payments on guaranteed bonds pursuant to this chapter shall be invested pursuant to law. All proceeds of the investment shall be deposited in that fund to the extent permitted by federal law.

# §13430. Limitation on authorization to guarantee bonds

The state board's authorization to guarantee bonds under this article shall be limited to bonds with a total principal amount of not more than 10 times the amount in the Clean Water Bond Guarantee Fund at the time the state board determines to extend each guarantee pursuant to Section 13426.

# §13431. Limitation on amounts paid

Under no circumstances shall the amount paid out as a result of bond guarantees extended pursuant to this article exceed the amount in the Clean Water Bond Guarantee Fund. This article does not express or imply any commitment by the state board or any other agency of the state to pay any money or levy any charge or tax or otherwise exercise its faith and credit on behalf of any local agency or bondholder beyond the funds in the Clean Water Bond Guarantee Fund.

# §13432. Annual Fee

The state board may charge an annual fee not to exceed one-tenth of 1 percent of the principal amount of each bond issue that it guarantees for guarantee coverage. The state board may charge a lesser amount. The proceeds of any fee shall be paid into the Clean Water Bond Guarantee Fund.

# §13433. Rules and procedures authority

The state board shall, by regulation, prescribe rules and procedures for all of the following:

(a) To pay money from the Clean Water Bond Guarantee Fund to an insured local agency or bondholder in the event that the amount in the local agency's bond reserve fund falls below a minimum amount, or in the event of failure by the local agency to pay the principal of, or interest on, an insured bond issue on time, as the state board may require.

(b) To require, by court action if necessary, a local agency to raise sewer service charges, levy additional assessments, collect charges or assessments, or foreclose or otherwise sell property as needed to prevent a reduction in the local agency's bond reserve fund, or to prevent default, or to collect funds to repay to the fund any payments made pursuant to subdivision (a).

# Article 3. State Water Pollution Cleanup and Abatement Account §13440. Fund established

There is in the State Water Quality Control Fund the State Water Pollution Cleanup and Abatement Account (hereinafter called the "account"), to be administered by the state board.

# §13441. Sources of payment into account; availability for expenditure

(a) There is to be paid into the account all moneys from the following sources:

(1) All moneys appropriated by the Legislature for the account.

(2) All moneys contributed to the account by any person and accepted by the state board.

(3) Except as otherwise provided, one-half of all moneys collected by way of criminal penalty and all moneys collected civilly under any proceeding brought pursuant to any provision of this division.

(4) All moneys collected by the state board or a regional board for the account under Chapter 6.7 (commencing with Section 25280) of Division 20 of the Health and Safety Code.

(5) All moneys collected by the state board for the account under Section 13304 or for the account under other law allowing recovery of costs for cleanup or abatement of waste, pollution, or contamination.

(6) Repayment of principal, interest, and fees on loans issued pursuant to this article.

(7) Repayments of loan and grant moneys paid to a loan or grant recipient pursuant to this article in which the recipient was not eligible for that loan or grant.

(8) Notwithstanding Sections 16305.7 and 16475 of the Government Code, any interest earned upon moneys deposited into the account.

(b) The first unencumbered five hundred thousand dollars (\$500,000) paid into the account in any given fiscal year is available without regard to fiscal years, for expenditure by the state board in accordance with the provisions of this article. The next unencumbered five hundred thousand dollars (\$500,000), or any portion thereof, deposited in any given fiscal year, is available for expenditure by the state board for the purposes of this article, subject to the provisions set forth in Section 28 of the Budget Act of 1984 (Chapter 258 of the Statutes of 1984). The next unencumbered one million dollars (\$1,000,000) deposited in the account in any given fiscal year is available for expenditure by the state board for the purposes of Section 13443. The remaining unencumbered funds deposited in the account in any given fiscal year is available without regard to fiscal years to the state board for expenditure for the purposes set forth in Sections 13442 and 13442.5.

# §13441.5. Loans from fund to account

The State Treasurer, when requested by the state board and approved by the Director of Finance, shall transfer moneys in the nature of a loan from the State Water Quality Control Fund to the account created pursuant to Section 13440, which shall be repayable from the account to such fund; provided, that the moneys transferred from the fund to the account shall not exceed the sum of twenty-five thousand dollars (\$25,000) at any one time.

# §13442. Use of monies to assist in clean-up

(a) Upon application by an eligible entity, as described in subdivision (b), the state board may approve the payment of grant moneys from the account to that entity to assist in cleaning up a waste, abating the effects of a waste on waters of the state, or addressing an urgent drinking water need without regard to whether the need for drinking water is a result of the discharge of waste.

(b) An entity is eligible to apply for funding pursuant to this section if that entity has authority to undertake the activity described in subdivision (a) for which it seeks moneys and the entity is any of the following:

(1) A public agency.

(2) A tribal government that is on the California Tribal Consultation List maintained by the Native American Heritage Commission and is a disadvantaged community, as defined in Section 79505.5, that agrees to waive tribal sovereign immunity for the explicit purpose of regulation by the state board pursuant to this division.

(3) A not-for-profit organization serving a disadvantaged community, as defined in Section 79505.5.

(4) A community water system, as defined in Section 116275 of the Health and Safety Code, that serves a disadvantaged community, as defined in Section 79505.5.

(c) An eligible entity shall not become liable to the state board for repayment of moneys paid to the entity under this section and expended in accordance with the state board's approval of payment, but this shall not be a defense to an action brought pursuant to subdivision (c) of Section 13304 for the recovery of moneys paid under this section.

(d) Projects using moneys that are paid to an eligible entity pursuant to this section shall be exempt from state contracting and procurement requirements set forth in the Government Code and the Public Contract Code to the extent necessary to take immediate action to protect public health and safety.

(e) The state board may adopt guidelines for the allocation and administration of these moneys that shall not be subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

# §13442.5 Eligibility of monies to assist in clean-up

(a) Upon application by an eligible entity, as described in subdivision (b), the state board may make funds available from the account for a loan to that entity to assist in cleaning up a waste, abating the effects of a waste on waters of the state, or addressing an urgent drinking water need without regard to whether the need for drinking water is a result of the discharge of waste.

(b) An entity is eligible to apply for a loan pursuant to this section if that entity has authority to undertake the activity described in subdivision (a) for which it seeks moneys and the entity is any of the following:

(1) A public agency.

(2) A nonprofit organization.

(3) A community water system, as defined in Section 116275 of the Health and Safety Code.

(c) Loan applicants shall demonstrate all of the following:

- (1) The ability to repay the loan.
- (2) The availability of adequate collateral to secure the loan.
- (3) That the loaned funds will be used for purposes consistent with subdivision (a).
- (4) Other information that the state board determines to be necessary.

(d) Any loan issued pursuant to this section shall be secured by adequate collateral. The term of the loan shall not exceed 10 years. The interest rate for the loan shall be set by the state board in guidelines adopted pursuant to subdivision (f).

(e) Projects using moneys that are loaned pursuant to this section shall not be subject to state contracting and procurement requirements to the extent necessary to take immediate action to protect public health and safety.

(f) The state board shall adopt guidelines for the allocation and administration of loans from the account. These guidelines shall not be subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(g) The state board may expend funds from the account to service loans, recover defaulted loan moneys, and protect the state's position as a lender creditor.

# §13443. Use of money for unforeseen water pollution

Upon application by a regional board that is attempting to remedy a significant unforeseen water pollution problem, posing an actual or potential public health threat, and for which the regional board does not have adequate resources budgeted, the state board may order moneys to be paid from the account to the regional board to assist it in responding to the problem.

# CHAPTER 6.5. STATE WATER POLLUTION CONTROL REVOLVING FUND <u>§13476. Definitions.</u>

Unless the context otherwise requires, the following definitions govern the construction of this chapter:

(a) "Administration fund" means the State Water Pollution Control Revolving Fund Administration Fund.

(b) "Board" means the State Water Resources Control Board.

(c) "Federal Clean Water Act" or "federal act" means the Clean Water Act (33 U.S.C. Sec. 1251 et seq.) and acts amendatory thereof or supplemental thereto.

(d)

(1) "Financial assistance" means assistance authorized under Section 13480. Financial assistance includes loans, refinancing, installment sales agreements, purchase of debt, and loan guarantees for municipal revolving funds, but excludes grants.

(2) Notwithstanding paragraph (1), financial assistance may include grants or other assistance directed by a federal grant deposited in the fund to the extent authorized and funded by that grant.

(e) "Fund" means the State Water Pollution Control Revolving Fund.

(f) "Grant fund" means the State Water Pollution Control Revolving Fund Small Community Grant Fund.

(g) "Matching funds" means money that equals that percentage of federal contributions required by the federal act to be matched with state funds.

(h) "Municipality" has the same meaning and construction as in the federal act and also includes all state, interstate, and intermunicipal agencies.

(i) "Publicly owned" means owned by a municipality.

(j) "Severely disadvantaged community" means a community with a median household income of less than 60 percent of the statewide median household income.

# §13478. Board funds. (Operative July 1, 2014.)

(a) The board may undertake any of the following:

(1) Enter into agreements with the federal government for federal contributions to the fund.

(2) Accept federal contributions to the fund.

(3) Enter into an agreement with, and accept matching funds from, a municipality. A municipality that seeks to enter into an agreement with the board and provide matching funds pursuant to this subdivision shall provide to the board evidence of the availability of those funds in the form of a written resolution adopted by the governing body of the municipality before it requests a preliminary financial assistance commitment.

(4) Use moneys in the fund for the purposes permitted by the federal act.

(5) Provide for the deposit of matching funds and any other available and necessary moneys into the fund.

(6) Make requests on behalf of the state for deposit into the fund of available federal moneys under the federal act and determine on behalf of the state appropriate maintenance of progress toward compliance with the enforceable deadlines, goals, and requirements of the federal act.

(7) Determine on behalf of the state that publicly owned treatment works that receive financial assistance from the fund will meet the requirements of, and otherwise be treated as required by, the federal act.

(8) Provide for appropriate audit, accounting, and fiscal management services, plans, and reports relative to the fund.

(9) Take additional incidental action as appropriate for the adequate administration and operation of the fund.

(10) Charge municipalities that elect to provide matching funds a fee to cover the actual cost of obtaining the federal funds pursuant to Section 603(d)(7) of the federal act (33 U.S.C. Sec. 1383(d)(7)) and processing the financial assistance application. The fee shall be waived by the board if sufficient funds to cover those costs are available from other sources.

(11) Use money returned to the fund under clause (ii) of subparagraph (D) of paragraph (1) of subdivision (b) of Section 13480, and any other source of matching funds, if not prohibited by statute, as matching funds for the federal administrative allowance under Section 603(d)(7) of the federal act (33 U.S.C. Sec. 1383(d)(7)).

(12) Expend money repaid by financial assistance recipients for financial assistance service under clauses (i) and (ii) of subparagraph (D) of paragraph (1) of subdivision (b) of Section 13480 to pay administrative costs incurred by the board under this chapter.

(13) Engage in the transfer of capitalization grant funds, as authorized by Section
35.3530(c) of Title 40 of the Code of Federal Regulations and reauthorized by Public Law 10954, to the extent set forth in an Intended Use Plan, that shall be subject to approval by the board.

(14) Cross-collateralize revenue bonds with the Safe Drinking Water State Revolving Fund created pursuant to Section 116760.30 of the Health and Safety Code, as authorized by Section 35.3530(d) of Title 40 of the Code of Federal Regulations.

(b) This section shall become operative on July 1, 2014.

# §13480. Use of Funds.

(a) Moneys in the fund shall be used only for the permissible purposes allowed by the federal act or a federal grant deposited in the fund, to the extent authorized and funded by that grant.

(b) Consistent with expenditure for authorized purposes, moneys in the fund may be used for the following purposes:

(1) Loans that meet all of the following requirements:

(A) Are made at or below market interest rates.

(B) Require annual payments of principal and any interest, with repayment commencing not later than one year after completion of the project for which the loan is made and full amortization not later than 30 years after project completion unless otherwise authorized by a federal grant deposited in the fund to the extent authorized and funded by that grant. Loan forgiveness is permissible to the extent authorized by a federal grant deposited in the fund to the extent authorized and the fund to the extent authorized by a federal grant deposited in the fund to the extent authorized by a federal grant deposited in the fund to the extent authorized by a federal grant deposited in the fund to the extent authorized and funded by that grant.

(C) Require the loan recipient to establish an acceptable dedicated source of revenue for repayment of a loan.

(D)

(i) Contain other terms and conditions required by the board or the federal act or applicable rules, regulations, guidelines, and policies. To the extent permitted by federal law, the combined interest and loan service rate shall be set at a rate that does not exceed 50 percent of the interest rate paid by the state on the most recent sale of state general obligation bonds and the combined interest and loan service rate shall be computed according to the true interest cost method. If the combined interest and loan service rate so determined is not a multiple of one-tenth of 1 percent, the combined interest and loan service rate shall be set at the multiple of one-tenth of 1 percent next above the combined interest and loan service rate so determined. A loan from the fund used to finance costs of facilities planning, or the preparation of plans, specifications, or estimates for construction of publicly owned treatment works shall comply with Section 603(e) of the federal act (33 U.S.C. Sec. 1383(e)).

(ii) Notwithstanding clause (i), if the loan applicant is a municipality, an applicant for a loan for the implementation of a management program pursuant to Section 319 of the federal act (33 U.S.C. Sec. 1329), or an applicant for a loan for nonpoint source or estuary enhancement pursuant to Section 320 of the federal act (33 U.S.C. Sec. 1330), and the applicant provides matching funds, the combined interest and loan service rate on the loan shall be 0 percent. A loan recipient that returns to the fund an amount of money equal to 20 percent of the remaining unpaid federal balance of an existing loan shall have the remaining unpaid loan balance refinanced at a combined interest and loan service rate of 0 percent over the time remaining in the original loan contract.

(2) To buy or refinance the debt obligations of municipalities within the state at or below market rates if those debt obligations were incurred after March 7, 1985.

(3) To guarantee, or purchase insurance for, local obligations where that action would improve credit market access or reduce interest rates.

(4) As a source of revenue or security for the payment of principal and interest on revenue or general obligation bonds issued by the state, if the proceeds of the sale of those bonds will be deposited in the fund.

(5) To establish loan guarantees for similar revolving funds established by municipalities.

(6) To earn interest.

(7) For payment of the reasonable costs of administering the fund and conducting activities under Subchapter VI (commencing with Section 601) of the federal act (33 U.S.C. Sec. 1381 et seq.). Those costs shall not exceed 4 percent of all federal contributions to the fund, four hundred thousand dollars (\$400,000) per year, or one-fifth of 1 percent per year of the current valuation of the fund, whichever amount is greatest, plus the amount of any fees collected by the state for this purpose regardless of the source.

(8) For financial assistance toward the nonfederal share of the costs of grant-funded treatment works projects, to the extent permitted by the federal act.

(9) Grants, principal forgiveness, negative interest rates, and any other type of, or variation on the above types of, assistance authorized by a federal grant deposited in the fund, to the extent authorized and funded by that grant.

#### §13485. Board implementation of Chapter.

(a) The board may adopt rules and regulations necessary or convenient to implement this chapter and to meet federal requirements pursuant to the federal act.

(b) The board may implement this chapter through a policy handbook that shall not be subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of the Government Code.

(c) This section shall become operative on July 1, 2014.

# CHAPTER 6.6. WATER AND WASTEWATER LOAN AND GRANT PROGRAM <u>§13486. State Board Establishment of a Program.</u>

(a) To the extent that funding is made available, the state board may establish a program in accordance with this chapter to provide funding as described in subdivision (a) of Section 13487.5 to eligible applicants for any of the following purposes:

(1) Extending or connecting service lines from a water or wastewater system to the point of entry into a residential structure.

(2) Paying reasonable charges or fees for connecting to a water or wastewater system.

(3) Paying costs to properly abandon or destroy septic tanks and water wells, as necessary, to protect health and safety as required by local or state law.

(4) Improving, rehabilitating, replacing, or repairing existing water wells, including associated equipment.

(5) Installing a water treatment system if the groundwater exceeds a primary or secondary drinking water standard, as defined in Section 116275 of the Health and Safety Code.

(b) The state board may adopt any guidelines it determines are necessary to carry out the purposes of this chapter. A guideline adopted pursuant to this subdivision shall not be subject to the rulemaking requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

#### §13486.5. Definitions.

(a) As used in this chapter:

(1) "Qualified nonprofit organization" means an organization with experience in providing financial and technical assistance to disadvantaged communities that is qualified to operate in California and qualified for exempt status under Section 501(c)(3) of the Internal Revenue Code.

(2) "Small water system" means a system for the provision of piped water to the public for human consumption that serves at least two, but not more than 14, service connections and is not a public water system as defined in Section 116275 of the Health and Safety Code.

#### <u>§13487. Funds.</u>

(a) To fund the program authorized in this chapter, the state board may use a funding source that is authorized for and consistent with the purposes of this chapter.

(b) The state board shall use reasonable and feasible efforts to secure local matching funds for the purposes of funding projects pursuant to this chapter.

#### §13487.5. Nonprofits.

(a) A county or qualified nonprofit organization may apply to the state board for a grant to award loans or grants, or both, to eligible applicants in the county in accordance with this chapter. The state board may award a grant to a qualified nonprofit organization only for a county that has not been awarded a grant pursuant to this subdivision.

(b) A county or qualified nonprofit organization that receives funding pursuant to this chapter shall annually provide the following information to the state board:

(1) The number of loans and grants awarded.

(2) The types of projects funded.

(3) Project costs.

(4) Whether there is demand for additional funding.

(c) The state board may advance funds pursuant to an agreement with a county or qualified nonprofit organization in accordance with this chapter. Section 11019 of the Government Code does not apply to an advance made pursuant to this subdivision.

# §13488. Eligible Loan Applicants.

(a) An eligible applicant for a loan shall meet all of the following criteria:

(1) Have a household income at or below 120 percent of the statewide median household income or, for a small water system, serve households with a median household income at or below 120 percent of the statewide median household income.

(2) Have an ownership interest in the residence or small water system.

(3) Be unable to obtain financial assistance at reasonable terms and conditions from private lenders and lack the resources to undertake these improvements.

(4) Demonstrate an ability to repay the loan. This requirement may be satisfied by having another party join the application as a cosigner.

(b) Any loan provided shall be secured by appropriate collateral, which may include a mortgage on the residence and shall be repaid within 10 to 30 years in accordance with terms established by the state board. The interest rate on the loan shall not exceed 3 percent. Throughout the useful life of the improvement, a loan recipient shall furnish evidence of and continually maintain homeowner's insurance on the security residence to protect the state's interest in the residence.

(c) The county may enter into a contract with a private financial institution to provide loans consistent with the purposes of this chapter.

#### §13489. Eligible Grant Applicants.

(a) An eligible applicant for a grant shall meet all of the following criteria:

(1) Have a household income at or below 120 percent of the statewide median household income or, for a small water system, serve households with a median household income at or below 120 percent of the statewide median household income.

(2) Have an ownership interest in the residence or small water system.

(3) Be unable to obtain financial assistance at reasonable terms and conditions from private lenders and lack the resources to undertake these improvements.

(b) A grant recipient shall repay to the county or qualified nonprofit organization the grant amount in full if that recipient sells or transfers ownership of the residence or small water system less than five years from the date that the grant agreement was signed.

#### **CHAPTER 10. WATER WELLS AND CATHODIC PROTECTION WELLS** *Article 2. Definitions*

#### §13710. Definition of well or water well.

"Well" or "water well" as used in this chapter, means any artificial excavation constructed by any method for the purpose of extracting water from, or injecting water into, the underground. This definition shall not include: (a) oil and gas wells, or geothermal wells constructed under the jurisdiction of the Department of Conservation, except those wells converted to use as water wells; or (b) wells used for the purpose of (1) dewatering excavation during construction, or (2) stabilizing hillsides or earth embankments.

#### §13712. Definition of monitoring well.

"Monitoring well" as used in this chapter, means any artificial excavation by any method for the purpose of monitoring fluctuations in groundwater levels, quality of underground waters, or the concentration of contaminants in underground waters.

#### <u>§13712.5. Exemption.</u>

Notwithstanding Section 13712, all wells constructed for the purpose of monitoring the presence of groundwater which has adversely affected, or threatens to adversely affect, crop root zones are exempt from the reporting requirements of this chapter.

#### Article 3. Reports §13750.5. Responsible person.

No person shall undertake to dig, bore, or drill a water well, cathodic protection well, groundwater monitoring well, or geothermal heat exchange well, to deepen or reperforate such a well, or to abandon or destroy such a well, unless the person responsible for that construction, alteration, destruction, or abandonment possesses a C-57 Water Well Contractor's License.

# §13751. Completion report.

(a) Every person who digs, bores, or drills a water well, cathodic protection well, groundwater monitoring well, or geothermal heat exchange well, abandons or destroys such a well, or deepens or reperforates such a well, shall file with the department a report of completion of that well within 60 days from the date its construction, alteration, abandonment, or destruction is completed.

(b) The report shall be made on forms furnished by the department and shall contain information as follows:

(1) In the case of a water well, cathodic protection well, or groundwater monitoring well, the report shall contain information as required by the department, including, but not limited to all of the following information:

(A) A description of the well site sufficiently exact to permit location and identification of the well.

(B) A detailed log of the well.

(C) A description of type of construction.

(D) The details of perforation.

(E) The methods used for sealing off surface or contaminated waters.

(F) The methods used for preventing contaminated waters of one aquifer from mixing with the waters of another aquifer.

(G) The signature of the well driller.

(2) In the case of a geothermal heat exchange well, the report shall contain all of the following information:

(A) A description of the site that is sufficiently exact to permit the location and identification of the site and the number of geothermal heat exchange wells drilled on the same lot.

(B) A description of borehole diameter and depth and the type of geothermal heat exchange system installed.

(C) The methods and materials used to seal off surface or contaminated waters.

(D) The methods used for preventing contaminated water in one aquifer from mixing with the water in another aquifer.

(E) The signature of the well driller.

#### §13752. Inspection of reports. (Effective June 24, 2015)

(a) Reports made in accordance with paragraph (1) of subdivision (b) of Section 13751 shall be made available as follows:

(1) To governmental agencies.

(2) To the public, upon request, in accordance with subdivision (b).

(b)

(1) The department may charge a fee for the provision of a report pursuant to paragraph (2) of subdivision (a) that does not exceed the reasonable costs to the department of providing the report, including costs of promulgating any regulations to implement this section.

(2) Notwithstanding subdivision (g) of Section 1798.24 of the Civil Code, the disclosure of a report in accordance with paragraph (2) of subdivision (a) in the possession of the department or another governmental agency shall comply with the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code).

#### §13753. Conversion of wells.

Every person who hereafter converts, for use as a water well, cathodic protection well, or monitoring well, any oil or gas well originally constructed under the jurisdiction of the Department of Conservation pursuant to Article 4 (commencing with Section 3200) of Chapter 1 of Division 3 of the Public Resources Code, shall comply with all provisions of this chapter.

# <u>§13754. Misdemeanor.</u>

Failure to comply with any provision of this article, or willful and deliberate falsification of any report required by this article, is a misdemeanor. Before commencing prosecution against any person, other than for willful and deliberate falsification of any report required by this article, the person shall be given reasonable opportunity to comply with the provisions of this article.

# §13755. Department powers undiluted.

Nothing in this chapter shall affect the powers and duties of the State Department of Health Services with respect to water and water systems pursuant to Chapter 4 (commencing with Section 116275) of Part 12 of Division 104 of the Health and Safety Code. Every person shall comply with this chapter and any regulation adopted pursuant thereto, in addition to standards adopted by any city or county.

# Article 4. Quality Control §13800. Reporting substandard wells.

The department, after such studies and investigations pursuant to Section 231 as it finds necessary, on determining that water well, cathodic protection well, and monitoring well construction, maintenance, abandonment, and destruction standards are needed in an area to protect the quality of water used or which may be used for any beneficial use, shall so report to the appropriate regional water quality control board and to the State Department of Health Services. The report shall contain such recommended standards for water well and cathodic protection well, and monitoring well construction, maintenance, abandonment, and destruction as, in the department's opinion, are necessary to protect the quality of any affected water.

#### §13801. Establishing well standards.

(a) The regional board, upon receipt of a report from the department pursuant to Section 13800, shall hold a public hearing on the need to establish well standards for the area involved. The regional board may hold a public hearing with respect to any area regardless of whether a report has been received from the department if it has information that standards may be needed.

(b) Notwithstanding subdivision (a), the state board shall, not later than September 1, 1989, adopt a model water well, cathodic protection well, and monitoring well drilling and abandonment ordinance implementing the standards for water well construction, maintenance, and abandonment contained in Bulletin 74-81 of the department. If the model ordinance is not adopted by this date, the state board shall report to the Legislature as to the reasons for the delay. The state board shall circulate the model ordinances to all cities and counties .

(c) Notwithstanding any other provision of law, each county, city, or water agency, where appropriate, shall, not later than January 15, 1990, adopt a water well, cathodic protection well, and monitoring well drilling and abandonment ordinance that meets or exceeds the standards contained in Bulletin 74-81. Where a water agency which has permit authority over well drilling within the agency adopts a water well, cathodic protection well, and monitoring well drilling and abandonment ordinance that meets or exceeds the standards contained in Bulletin 74-81. Where a water agency which has permit authority over well drilling within the agency adopts a water well, cathodic protection well, and monitoring well drilling and abandonment ordinance that meets or exceeds the standards contained in Bulletin 74-81, a county or city shall not be required to adopt an ordinance for the same area.

(d) If a county, city, or water agency, where appropriate, fails to adopt an ordinance establishing water well, cathodic protection well, and monitoring well drilling and abandonment standards, the model ordinance adopted by the state board pursuant to subdivision (b) shall take effect on February 15, 1990, and shall be enforced by the county or city and have the same force and effect as if adopted as a county or city ordinance.

(e) The minimum standards recommended by the department and adopted by the state board or local agencies for the construction, maintenance, abandonment, or destruction of monitoring wells or class 1 hazardous injection wells shall not be construed to limit, abridge, or supersede the powers or duties of the State Department of Health Services in their application of standards to the construction, maintenance, abandonment, or destruction of monitoring wells or class 1 hazardous injection wells at facilities which treat, store, or dispose of hazardous waste or at any site where the State Department of Health Services is the lead agency responsible for investigation and remedial action at that site, as long as the standards used by the State Department of Health Services in effect by any city, county, or water agency where appropriate, responsible for developing ordinances for the area in question.

#### §13802. Additional well standards.

If the regional board finds that standards of water well, cathodic protection well, and monitoring well construction, maintenance, abandonment, and destruction are needed in any area to protect the quality of water used, or which may be used, for any beneficial use, it shall determine the area to be involved and so report to each affected county and city in the area. The report shall also contain any well standards which have been recommended by the department.

# Article 5. Wells in Critically Overdrafted Groundwater Basins §13807. Legislative Findings.

The Legislature finds and declares all of the following:

(a) According to the Department of Water Resources, among the 512 basins throughout the state, 21 are deemed critically overdrafted.

(b) In 2014, California adopted landmark legislation, the Sustainable Groundwater Management Act (Part 2.74 (commencing with Section 10720) of Division 6), to sustainably manage groundwater resources. The act will not be fully implemented for several years, allowing groundwater overdraft to continue in some regions.

(c) The Sustainable Groundwater Management Act was a critical step toward achieving sustainability in the management of groundwater.

(d) Consistent with Section 113 and the Sustainable Groundwater Management Act, this article supports groundwater management by local agencies and is not a limitation on the authority of local agencies or the state under any other law.

(e) Greater transparency is needed to provide existing pumpers and water users in critically overdrafted basins with important information about the use of shared groundwater resources, specifically regarding applications for new well permits.

#### §13807.5. Definitions.

As used in this article:

(a) "Basin" has the meaning provided in Section 10721.

(b) "Critically overdrafted basin" means a basin designated by the department as subject to critical conditions of overdraft pursuant to Section 12924.

(c) "De minimis extractor" has the meaning provided in Section 10721.

(d) "Groundwater sustainability agency" has the meaning provided in Section 10721.

(e) "Groundwater sustainability plan" has the meaning provided in Section 10721.

(f) "High-priority basin" and "medium-priority basin" have the same meaning as the categorization of a basin by the department pursuant to Section 10722.4.

(g) "Undesirable results" has the meaning provided in Section 10721.

#### §13808. Information and Estimates.

(a) Except as specified in Section 13808.4, every city or county overlying a critically overdrafted basin shall request estimates of the following information, to the extent that it can be reasonably known, from an applicant for a new well located within a critically overdrafted basin, or the applicant's agent, as part of an application for a well permit:

(1) A map of the location, as well as information including, but not limited to, global positioning system coordinates and elevation of the proposed well.

(2) The depth.

(3) The proposed capacity, estimated pumping rate, anticipated pumping schedule, and estimated annual extraction volume.

(4) The geologic siting information, including, but not limited to, water table depth, seasonal fluctuations, recharge area and rate, if known, and location to flood plain.

(5) The distance from any potential sources of pollution onsite and on adjacent properties, including, but not limited to, existing or proposed septic systems, wells, animal or fowl enclosures, transmission lines, or sewer lines.

(6) The distance from ponds, lakes, and streams within 300 feet.

(7) Any existing wells on the property, including well use, depth, diameter, screen interval, pumping rate, estimated or measured annual extraction volume, and, if available, information on specific capacity or other pumping tests completed.

(8) For a well below Corcoran clay, a map showing the location of canals, ditches, pipelines, utility corridors, and roads within two miles.

(9) The estimated cumulative extraction volume before January 1, 2020.

(10) The size in acres of the area to be served by the well.

(11) The planned category of water use, such as irrigation, stock, domestic, municipal, industrial, or other.

(b) Subdivision (a) does not require a city or county to amend or update an existing ordinance.

#### §13808.2. City/County Providing Information.

A city or county that receives an application for a well permit in a critically overdrafted basin shall make the information provided pursuant to subdivision (a) of Section 13808 for a pending well application easily accessible and available to both the public and to groundwater sustainability agencies located within the basin where the new well is located. Methods of making the information publicly available and easily accessible, include, but are not limited to, posting the information on the city's or county's Internet Web site or providing the availability of an email mailing list management system for all interested parties.

#### §13808.4. New Wells.

(a) A city or county may issue a new well permit within a critically overdrafted basin when the requirements of Section 13808 have been met, in addition to any requirements set forth in an ordinance adopted by the city or county or the standards adopted by a regional board for an area under the jurisdiction of the city or county pursuant to Section 13805, as applicable.

(b) This article does not apply to any of the following:

(1) An applicant for a new water well who would be a de minimis extractor.

(2) An applicant for a replacement water well that would not increase the amount of extractions above the amount of water extracted from the existing well.

(3) A city or county with a process for the issuance of a well permit that substantially complies with the requirements of this article. In order for this article to not apply to such a city or county, the city or county shall make a public finding certifying that the city or county has an ordinance in effect that substantially complies with the requirements of this article.

(4) An applicant for a new water well that is not located within a critically overdrafted basin.

(5) An applicant for a new water well located within an area subject to a groundwater sustainability plan adopted in accordance with Section 10728.4.

(6) A public agency that substantially meets or exceeds the requirements of this article through another requirement of law. In order to be exempt, the applicant shall document the laws that substantially meet or exceed the requirements of this article and how the requirements of those laws were met.

(7) A city or county municipal well to provide water supply solely for residents of the city or county.

#### §13808.6. Disclaimer.

This article does not, in any manner, alter, change, affect, modify, or enlarge the authority of the city or county to deny, condition, or otherwise modify the proposed well, nor the standards, measurements, or criteria applicable to the approval of the proposed well permit, under an ordinance adopted by the city or county or under the standards adopted by a regional board for an area under the jurisdiction of the city or county pursuant to Section 13805.

#### §13808.8. Operative Date.

This article shall become inoperative on January 30, 2020, and, as of January 1, 2021, is repealed.

#### DIVISION 12. COUNTY WATER DISTRICTS PART 5. POWERS AND PURPOSES CHAPTER 1. POWERS AND PURPOSES GENERALLY Article 9.4. Sierra Lakes County Water District §31142.50. Sierra Lakes County Water District – Preventing Contamination of DW Sources.

(a) In addition to the other powers provided by law, the Sierra Lakes County Water District shall have, but is not limited to, the authority to prevent nuisance, pollution, waste, and contamination of its drinking water source.

(b)

(1) To regulate, prohibit, or control the discharge of pollutants, waste, or other materials in groundwater or surface waters, the district may adopt by ordinance requirements relating to the installation and use of small aboveground or small underground tanks, including, but not limited to, the following:

(A) An existing small underground tank for the storage of petroleum located within the tributary watershed of Lakes Serena and Dulzura shall be annually tested in accordance with the Non-Visual Monitoring/Quantitative Release Detection Methods provided in Section 2643 of Title 23 of the California Code of Regulations.

(B) An existing small aboveground tank or new small aboveground tanks for the storage of petroleum located within the tributary watershed of Lakes Serena and Dulzura shall include a secondary containment system that meets the requirements of Section 5704.2.9.7 of the California Fire Code.

(2) To regulate, prohibit, or control the discharge of pollutants, waste, or other materials in groundwater or surface waters, the district may adopt an ordinance that prohibits the installation of new small underground tanks or new underground storage tanks, as defined in Section 25281 of the Health and Safety Code, for the storage of petroleum within the tributary watershed of Lakes Serena and Dulzura.

(c) An ordinance adopted pursuant to subdivision (b) may provide that:

(1) A violation of the ordinance is an infraction, constitutes a nuisance, or both.

(2) The district may seek redress for violations of the ordinance by bringing a civil action against the violator.

(3) If the violation is an infraction, the district may request that the court impose punishment consistent with the provisions of subdivision (b) of Section 36900 of the Government Code. For purposes of calculating the punishment, each day of the violation shall constitute a separate offense.

(4) If the violation constitutes a nuisance, the district may pursue summary abatement of the nuisance or initiate civil proceedings to abate the nuisance. Any person found by the court to have committed the nuisance shall be liable for the costs incurred by the district to abate the nuisance, including, but not limited to, the costs of investigation, costs of time and materials expended to eliminate or mitigate the nuisance, court costs, attorney's fees, and costs of monitoring compliance. The court may also assess any civil penalties established in the ordinance against persons found by the court to have committed a nuisance.

(d) For purposes of this section, the following is defined as follows:

(1) "Petroleum" includes crude oil, including heating oil, or any fraction thereof, that is liquid at standard conditions of temperature and pressure. Standard conditions of temperature and pressure for crude oil is 60 degrees Fahrenheit and 14.7 pounds per square inch absolute.

(2) "Small aboveground tank" means a tank that is substantially or totally above the surface of the ground with a capacity of 550 gallons or less and not subject to Chapter 6.67 (commencing with Section 25270) of Division 20 of the Health and Safety Code.

(3) "Small underground tank" means any one or combination of tanks, including pipes connected thereto, that is used for storage of hazardous substances and that is substantially or totally beneath the surface of the ground with a capacity of 1,100 gallons or less.

(4) "Tank" means a stationary device designed to contain an accumulation of hazardous substances that is constructed primarily of nonearthen materials, including, but not limited to, wood, concrete, steel, or plastic that provides structural support.

# DIVISION 20. MUNICIPAL WATER DISTRICTS PART 3. INTERNAL ORGANIZATION CHAPTER 1.5. THREE VALLEYS MUNICIPAL WATER DISTRICT §71260. Applicability.

This chapter applies only to the Three Valleys Municipal Water District. Except as provided in this chapter, this division applies to the Three Valleys Municipal Water District.

#### §71261. Directors.

Notwithstanding any other provision of this division, the Board of Directors of the Three Valleys Municipal Water District shall consist of seven directors. Each director shall be a resident of the division from which he or she is elected.

#### §71260. Boundary Establishment.

The board shall establish the boundaries of the seven divisions from which directors are elected in accordance with Chapter 6 (commencing with Section 71540) of Part 4. The additional directors shall be elected at a special district election which shall be called by the Board of Directors of Three Valleys Municipal Water District on the next available election date established by Chapter 1 (commencing with Section 1000) of Division 1 of the Elections Code that is 90 or more days after January 1, 1989. The two additional directors so elected and qualified shall take office on July 1, 1989, and shall hold office until their successors, who shall be elected at the district general election in 1992, take office. Thereafter, the two additional directors shall be elected to terms of four years.

# CHAPTER 1.6. CENTRAL BASIN MUNICIPAL WATER DISTRICT

§71266. Definitions. (Effective January 1, 2017.)

For the purposes of this chapter:

(a) "District" means the Central Basin Municipal Water District.

(b) "Large water purveyor" means a public water system that is one of the top five purveyors of water as measured by the total purchase of potable and recycled water from the district for the three prior fiscal years.

(c) "Public water system" has the same meaning as in Section 116275 of the Health and Safety Code.

(d) "Relevant technical expertise" means employment or consulting for a total period of at least five years, prior to the date of first appointment, in one or more positions materially responsible for performing services relating to the management, operations, engineering, construction, financing, contracting, regulation, or resource management of a public water system.

(e) "Small water purveyor" means a public water system with less than 5,000 connections.

#### §71266. Directors. (Effective January 1, 2017.)

(a) Except as provided in subdivision (c) and notwithstanding any other provision of this division, the board of directors of the district shall be composed of seven directors as follows:

(1) Four directors, one director elected for each division established pursuant to subdivision (d) by the voters of the division. Each director shall be a resident of the division from which he or she is elected. An election pursuant to this paragraph shall be in accordance with the Uniform District Election Law (Part 4 (commencing with Section 10500) of Division 10 of the Elections Code).

(2) Three directors appointed by the water purveyors of the district in accordance with Section 71267.

(b) The district shall be subject to Section 84308 of the Government Code.

(c) Until the directors elected at the November 8, 2022, election take office, the board of directors shall be composed of eight directors as follows:

(1) Five directors in accordance with Section 71250.

(2) Three directors appointed by the water purveyors of the district pursuant to Section 71267.

(d) The board of directors shall divide the district into four divisions in a manner as to equalize, as nearly as practicable, the population in the respective divisions pursuant to Section 71540.

#### §71267. Director Appointments. (Effective January 1, 2017.)

(a) The general manager of the district shall notify each water purveyor of the district and provide a 60-day period during which the district will accept nominations for appointment of individuals to the board of directors.

(b) Individuals nominated for appointment to the board of directors shall demonstrate eligibility and relevant technical expertise.

(c)

(1) The three directors appointed by the water purveyors shall be selected by the water purveyors of the district every four years as follows:

(A) One director shall be selected by all large water purveyors from the nominees of large water purveyors. Each large water purveyor shall have one vote.

(B) One director shall be selected by all cities that are water purveyors of the district from the nominees of cities. Each city shall have one vote.

(C) One director shall be selected by all of the water purveyors of the district from any nominee. The vote of each purveyor shall be weighted to reflect the number of service connections of that water purveyor within the district. If the selection of a director under this subparagraph would result in a violation of paragraph (2), the first eligible candidate receiving the next highest number of votes shall be selected.

(2) The appointment of directors pursuant to paragraph (1) shall not result in any of the following:

(A) The appointment of three directors that are all employed by or representatives of entities that are all large water purveyors.

(B) The appointment of three directors that are all employed by or representatives of entities that are all cities.

(C) The appointment of three directors that are all employed by or representatives of entities that are all small water purveyors.

(3) Each nominee for director who receives the highest number of votes cast for each office described in paragraph (1) is appointed as a director to the board of directors and shall take office in accordance with Section 71512. The general manager shall collect the votes and report the results to the water purveyors. Votes for an appointed director are public records.

(d) Each appointed director shall live or work within the district.

(e) In order to ensure continuity of knowledge, the directors appointed at the first purveyor selection shall classify themselves by lot so that two of them shall hold office until the selection of their successors at the first succeeding purveyor selection and one of them shall hold office until the selection.

(f)

(1) The term of a director appointed pursuant to subparagraph (A) of paragraph (1) of subdivision (c) is terminated if the appointed director no longer is employed by or a representative of a large water purveyor.

(2) The term of a director appointed pursuant to subparagraph (B) of paragraph (1) of subdivision (c) is terminated if the appointed director no longer is employed by or a representative of a city.

(3) The term of a director appointed pursuant to subparagraph (C) of paragraph (1) of subdivision (c) is terminated if the appointed director no longer is employed by or a representative of a water purveyor.

#### (g)

(1) An appointed director shall not do any of the following:

(A) Hold an elected office.

(B) Hold more than 0.5 percent ownership in a company regulated by the Public Utilities Commission.

(C) Hold more than one consecutive term of office on the board.

(2) An appointed director shall be subject to all applicable conflict-of-interest and ethics provisions and shall recuse himself or herself from participating in a decision that could have a direct material benefit on the financial interests of the director.

(h) A vacancy in an office of appointed director shall be filled in accordance with the selection process described in subdivisions (a) to (c), inclusive.

# (i)

(1) An appointed director shall be eligible for all of the following:

(A) Reimbursement for travel and conference expenses pursuant to the Central Basin Municipal Water District Administrative Code.

(B) Compensation for up to 10 meetings per month at the per meeting rate provided by the Central Basin Municipal Water District Administrative Code.

(C) Health insurance benefits, if those benefits are not provided by the director's employer.

(2) An appointed director shall not be eligible to receive communication or car allowances. For purposes of this paragraph, "car allowances" does not include travel expenses incurred as described in paragraph (1).

(3) An appointed director may waive the reimbursement and compensation described in paragraph (1) and may be required to reimburse his or her employer for any compensation received.

# DIVISION 20.5. WHOLESALE REGIONAL WATER SYSTEM SECURITY AND RELIABILITY ACT

# <u>§73500. Title.</u>

This division shall be known as and may be cited as the Wholesale Regional Water System Security and Reliability Act.

#### §73501. Definitions.

(a) Unless the context otherwise requires, the definitions set forth in this section govern the construction of this division.

(b) "Association" means the San Francisco Bay Area Water Users Association.

(c) "Bay area regional water system" means the facilities for the storage, treatment, and transmission of water located in the Counties of Tuolumne, Stanislaus, San Joaquin, Alameda, Santa Clara, and San Mateo, together with three terminal reservoirs in the city.

(d) "Bay area wholesale customers" means the 26 public agencies in the Counties of San Mateo, Alameda, and Santa Clara that purchase water from the city pursuant to the master water sales contract, including the Alameda County Water District, the City of Brisbane, the City of Burlingame, the Coastside County Water District, the City of Daly City, the City of East Palo Alto, the Estero Municipal Improvement District, Guadalupe Valley Municipal Improvement District, City of Hayward, the Town of Hillsborough, the Los Trancos County Water District, the City of Menlo Park, the Mid-Peninsula Water District, the City of Millbrae, the City of Milpitas, the City of Mountain View, the North Coast County Water District, the City of Palo Alto, the Purissima Hills Water District, the City of Redwood City, the City of San Bruno, the City of San Jose, the City of Santa Clara, the Skyline County Water District, the City of Sunnyvale, and the Westborough Water District, Stanford University, the California Water Service Company, and the Cordilleras Mutual Water Association.

(e) "City" means the City and County of San Francisco.

(f) "Master water sales contract" means the agreement entitled "Settlement Agreement and Master Water Sales Contract between the City and County of San Francisco and Certain Suburban Purchasers" entered into in 1984 by the city and the wholesale customers.

(g) "Regional water system" means facilities for the storage, treatment, and transmission of water owned and operated by a regional wholesale water supplier, other than the city.

(h) "Regional wholesale water supplier" means any city, county, or city and county, including the city, that operates a regional water system, and furnishes water on a wholesale basis to local government agencies and public utilities that, in turn, supply water to a combined population of 1.5 million or more residents of geographic areas outside the boundary of the regional wholesale water supplier.

(i) "Wholesale customers" means local government agencies and public utilities, including, but not limited to, the bay area wholesale customers, that purchase water from a regional wholesale water supplier and distribute that water to retail customers in their respective service areas.

#### §73502. Projects.

(a) The city, on or before February 1, 2003, shall adopt the program of capital improvement projects designed to restore and improve the bay area regional water system that are described in the capital improvement program report prepared by the San Francisco Public Utilities Commission dated February 25, 2002. A copy of the program shall be submitted, on or before March 1, 2003, to the State Water Resources Control Board. The program shall include a schedule for the completion of design and award of contract, and commencement and completion of construction of each described project. The schedule shall require that projects representing 50 percent of the total program cost be completed on or before 2010 and that projects representing 100 percent of the total program cost be completed on or before 2015. The program shall also contain a financing plan. The city shall review and update the program, as necessary, based on changes in the schedule set forth in the plan adopted pursuant to subdivision (d).

	Project	Location	Project Identification
			Number
1.	Irvington Tunnel Alternative	Alameda/Santa Clara Counties	9970
2.	Crystal Springs Pump Station &	San Mateo County	201671
	Pipeline		
3.	BDPL 1 & 2-Repair of	Alameda/San Mateo Counties	99
	Caissons/Pipe Bridge		
4.	BDPL Pipeline Upgrades at	Alameda County	128
	Hayward Fault		
5.	Calaveras Fault Crossing Upgrade	Alameda County	9897
6.	Crystal Springs Bypass Pipeline	San Mateo County	9891
7.	BDPL Cross Connections 3 & 4	Alameda/Santa Clara Counties	202339
8.	Conveyance Capacity West of	Alameda/Santa Clara/San Mateo	201441
	Irvington Tunnel	Counties	
9.	Calaveras Dam Seismic	Alameda County	202135
	Improvements		

(b) The plan shall require completion of the following projects:

(c) The city shall submit a report to the Joint Legislative Audit Committee, the Alfred E. Alquist Seismic Safety Commission, and the State Water Resources Control Board, on or before September 1 of each year, describing the progress made on the implementation of the capital improvement program for the bay area regional water system during the previous fiscal year. The city shall identify in the report any project that is behind schedule, and, for each project so identified, shall describe the city's plan and timeline for either making up the delay or adopting a revised schedule pursuant to subdivision (d).

(d)

(1) The city may determine that completion dates for projects contained in the capital improvement program adopted pursuant to subdivision (a), including those projects described in subdivision (b), should be delayed or that different projects should be constructed.

(2) The city shall provide written notice, not less than 30 days before the date of a meeting of the city agency responsible for management of the bay area regional water system, that a change in the program is to be considered. The notice shall include information about the reason for the proposed change and the availability of materials related to the proposed change. All bay area wholesale customers shall be permitted to testify or otherwise submit comments at the meeting.

(3) If the city adopts a change in the program that deletes one or more projects from the program, or postpones the scheduled completion dates, the city shall promptly furnish a copy of that change and the reasons for that change to the State Water Resources Control Board and the Alfred E. Alquist Seismic Safety Commission. The State Water Resources Control Board and the Alfred E. Alquist Seismic Safety Commission shall each submit written comments with regard to the significance of that change with respect to public health and safety to the city and the Joint Legislative Audit Committee not later than 120 days after the date on which those entities received notice of that change.

#### §73503. Emergency response plan.

(a) The city, in consultation with the association and the offices of emergency services in Alameda County, Santa Clara County, and San Mateo County, shall prepare an emergency response plan describing how water service will be restored to the area served by the bay area regional water system after an interruption caused by earthquake or other natural or manmade catastrophe. A draft of the plan shall be submitted to the Office of Emergency Services on or before July 1, 2003, for comment and shall be adopted by the city on or before September 1, 2003, and thereafter shall be implemented.

(b) During any interruption in supply caused by earthquake, or other natural or manmade catastrophe, a regional wholesale water supplier shall distribute water to customers on an equitable basis, to the extent feasible given physical damage to the regional water system, without preference or discrimination based on a customer's geographic location within or outside the boundary of the regional wholesale water supplier.

#### §73504. Report to legislature and CDPH.

(a) Commencing in 2003, a regional wholesale water supplier shall submit a report to the Legislature and the State Department of Public Health, on or before February 1 of each year, describing the progress made during the previous calendar year on securing supplemental sources of water to augment existing supplies during dry years.

(b) In order to supply adequately, dependably, and safely the requirements of all users of water, the city shall continue its practice of operating the reservoirs in the Counties of Tuolumne and Stanislaus in a manner that ensures that the generation of hydroelectric power will not cause any reasonably anticipated adverse impact on water service. The city shall assign higher priority to delivery of water to the bay area than to the generation of electric power, unless the Secretary of the Interior, in writing, notifies the city that doing so would violate the Raker Act (63 P.L. 41). The city shall make available to the public, on request, its plans of operations (rule curves) for these reservoirs.

(c) The city shall be deemed to be a local public agency for the purposes of Article 4 (commencing with Section 1810) of Chapter 11 of Part 2 of Division 2.

### §73505. Audit by DHS of city's system.

The State Department of Health Services shall conduct an audit, or arrange for an audit to be performed by contract, of the city's program of maintenance of the bay area regional water system prior to July 1, 2004. The audit shall include both of the following:

- (a) A review of the adequacy of the city's procedures and resources for all of the following:
  - (1) Identifying needed maintenance.
  - (2) Planning, budgeting, scheduling, and completing maintenance.
  - (3) Recordkeeping of maintenance activities.

(b) A field investigation of the major facilities of the bay area regional water system to determine the general condition of those facilities and the adequacy of existing maintenance efforts.

(c) The State Department of Health Services shall submit a report to the city, the Joint Legislative Audit Committee, and the Seismic Safety Commission on its findings and recommendations based on the audit on or before January 1, 2005.

#### §73506. Audit by DHS of non-city wholesalers.

The State Department of Health Services shall conduct an audit of the regional water systems operated by all regional wholesale water suppliers, other than the city, subject to this division and shall submit to the Legislature a report thereon on or before February 1, 2006.

#### §73508. If special district is formed.

If the city and the bay area wholesale customers that are public agencies form a special district with authority and responsibility to own, operate, and manage the bay area regional water system and whose governing board's composition reflects the proportionate use of water delivered by the bay area regional water system within the city and within the aggregate geographic area served by the bay area wholesale customers, the obligations imposed on the city by this division shall be applicable to that district. The city shall be relieved of all obligations under this division at the time the ownership and control of the bay area regional water system are transferred to that district.

#### §73510. Compliance with SDWA.

Notwithstanding Section 116500 of the Health and Safety Code, the State Department of Public Health shall ensure that the bay area regional water system is operated in compliance with the California Safe Drinking Water Act (Chapter 4 (commencing with Section 116275) of Part 12 of Division 104 of the Health and Safety Code) and the guidelines established by the United States Environmental Protection Agency for the purposes of administering the comparable provisions of the federal Safe Drinking Water Act (42 U.S.C. Sec. 300f et seq.).

#### §73511. Special district can receive state funds.

A special district composed of some or all of the bay area wholesale customers may receive state funds for the purpose of protecting the bay area regional water system against seismic risk, without regard to whether the city is a member of that district.

#### §73512. Reimbursement of cost to CDPH and others.

A regional wholesale water supplier shall reimburse the state for all costs incurred by the State Department of Public Health or the Seismic Safety Commission in carrying out the duties imposed by this division. The bay area wholesale customers shall reimburse the city for their share of those costs as provided in the master water sales contract. The wholesale customers of regional wholesale water suppliers other than the city are responsible for reimbursing the regional wholesale water supplier for their proportionate share of those costs, through the imposition of water charges.

#### §73513. No effect of Modesto and Turlock relationship.

Nothing in this division affects the rights and obligations of the city, the Modesto Irrigation District, or the Turlock Irrigation District, as between themselves, whether arising from statute or contract.

#### §73513.5. No change in control or ownership.

Nothing in this division changes the governance, control, or ownership of the bay area regional water system.

#### §73514. Date division inoperative.

This division shall remain in effect only until January 1, 2022, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2022, deletes or extends that date.

#### DIVISION 26.5. WATER SECURITY, CLEAN DRINKING WATER, COASTAL AND BEACH PROTECTION ACT OF 2002 (Prop 50) CHAPTER 1. GENERAL PROVISIONS §79500. Title.

This division shall be known and may be cited as the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002.

#### §79501. Findings.

The people of California find and declare that it is necessary and in the public interest to do all of the following:

(a) Secure and safeguard the integrity of the state's water supply from catastrophic damage or failure from terrorist acts or other deliberate acts of destruction.

(b) Provide a safe, clean, affordable, and sufficient water supply to meet the needs of California residents, farms, and businesses.

(c) Provide adequate financing for balanced implementation of the CALFED Bay-Delta Program to:

(1) Provide good water quality for all beneficial uses.

(2) Improve and increase aquatic and terrestrial habitats and improve ecological functions in the San Francisco Bay/Sacramento-San Joaquin Delta Estuary to support sustainable populations of diverse plant and animal species.

(3) Reduce the mismatch between Bay-Delta water supplies and current and projected beneficial uses dependent on the Bay-Delta system.

(4) Reduce the risk to land uses and associated economic activities, water supply, infrastructure, and ecosystems from catastrophic breaching of Delta levees.

(d) Establish and facilitate integrated regional water management systems and procedures to meet increasing water demands due to significant population growth that is straining local infrastructure and water supplies.

(e) Improve practices within watersheds to improve water quality, reduce pollution, capture additional storm water runoff, protect and manage groundwater better, and increase water use efficiency.

(f) Protect urban communities from drought, increase supplies of clean drinking water, reduce dependence on imported water, reduce pollution of rivers, lakes, streams, and coastal waters, and provide habitat for fish and wildlife.

(g) Invest in projects that further the ability of all Californians to live within California's basic apportionment of 4.4 million acre-feet per year of Colorado River water pursuant to the Colorado River Water Use Plan.

(h) Protect, restore, and acquire beaches and coastal uplands, wetlands, and watershed lands along the coast and in San Francisco Bay to protect the quality of drinking water, to keep beaches and coastal waters safe from water pollution, and to provide the wildlife and plant habitat and riparian and wetlands areas needed to support functioning coastal and San Francisco Bay ecosystems for the benefit of the people of California.

#### <u>§79502. Intent.</u>

It is the intent of the people in enacting this division that it be administered and executed in the most expeditious manner possible, and that all state, regional and local officials implement this division to the fullest extent of their authority.

#### <u>§79503. Intent.</u>

It is the intent of the people that water facility projects financed pursuant to this division shall be designed and constructed so as to improve the security and safety of the state's drinking water system.

#### <u>§79504. Intent.</u>

It is the intent of the people that investment of public funds pursuant to this division should result in public benefits.

#### §79505. Definitions.

As used in this division, the following terms shall have the following meanings:

(a) "Acquisition" means the acquisition of a fee interest or any other interest, including easements, leases, and development rights.

(b) "Board" means the State Water Resources Control Board.

(c) "CALFED" means the consortium of state and federal agencies with management and regulatory responsibilities in the San Francisco Bay/Sacramento-San Joaquin Delta Estuary.

(d) "CALFED Bay-Delta Program" means the undertaking by CALFED to develop and implement, by means of the final programmatic environmental impact statement/environmental impact report, the preferred programs, actions, projects, and related activities that will provide solutions to identified problem areas related to the San Francisco Bay/Sacramento-San Joaquin Delta Estuary ecosystem, including but not limited to the Bay-Delta and its tributary watersheds.

(e) "Department" means the Department of Water Resources.

(f) "Fund" means the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 created pursuant to Section 79510.

(g) "Nonprofit organization" means any nonprofit corporation formed pursuant to the Nonprofit Public Benefit Corporation Law (Division 2 (commencing with Section 5000) of Title 1 of the Corporations Code) and qualified under Section 501(c)(3) of the United States Internal Revenue Code.

(h) "Secretary" means the Secretary of the Resources Agency.

(i) "Wetlands" means lands that may be covered periodically or permanently with shallow water and include saltwater marshes, freshwater marshes, open or closed brackish water marshes, swamps, mudflats, fens, and vernal pools.

#### §79505.5. Definitions.

As used in this division, the following terms shall have the following meanings:

(a) "Disadvantaged community" means a community with an annual median household income that is less than 80 percent of the statewide annual median household income.

(b) "Matching funds" means funds made available by nonstate sources, which may include, but are not limited to, donated services from nonstate sources.

#### §79505.6. Grant and loan guidelines.

(a):

(1) By March 15, 2004, each state agency disbursing grants or loans pursuant to this division shall develop project solicitation and evaluation guidelines. The guidelines may include a limitation on the size of grants or loans to be awarded.

(2) Prior to disbursing grants, each state agency shall conduct two public meetings to consider public comments prior to finalizing the guidelines. Each state agency shall publish the draft solicitation and evaluation guidelines on its Internet Web site at least 30 days before the public meetings. One meeting shall be conducted at a location in northern California and one meeting shall be conducted at a location in southern California. Upon adoption, each state agency shall transmit copies of the guidelines to the fiscal committees and the appropriate policy committees of the Legislature. To the extent feasible, each state agency shall provide outreach to disadvantaged communities to promote access and participation in those meetings.

(3):

(A) Subject to subparagraph (B), the guidelines may include a requirement for matching funds.

(B) A state agency may not require matching funds for the purposes of awarding a grant financed by this division to assist a disadvantaged community, except as follows:

(i) For the purposes of awarding a grant pursuant to subdivision (a) of Section 79545, the department shall impose matching fund requirements in accordance with subdivision (a) of Section 79545.

(ii) For the purposes of awarding a grant subject to Section 79564, the board shall impose matching fund requirements in accordance with subdivision (b) of Section 79564.

(b) Notwithstanding subdivision (a), a state agency, in lieu of adopting guidelines pursuant to subdivision (a), may use guidelines existing on January 1, 2004, to the extent those guidelines conform to the applicable requirements of this division.

# §79506. Compliance with CEQA.

Every proposed activity to be financed pursuant to this division shall be in compliance with the California Environmental Quality Act (Division 13 (commencing with Section 21000)) of the Public Resources Code.

#### §79506.7. Technical assistance for disadvantaged communities.

State agencies that are authorized to award loans or grants financed by this division shall provide technical assistance with regard to the preparation of the applications for those loans or grants in a manner that, among other things, addresses the needs of economically disadvantaged communities.

#### §79507. Watershed protection.

Watershed protection activities financed pursuant to this division shall be consistent with the applicable adopted local watershed management plan and the applicable regional water quality control plan adopted by the regional water quality control board.

#### §79508. Watershed protection.

Watershed protection activities in the San Gabriel and Los Angeles River watersheds shall be consistent with the San Gabriel and Los Angeles River Watershed and Open Space Plan as adopted by the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy and the Santa Monica Mountains Conservancy. Notwithstanding any other provision of law, this plan shall be implemented pursuant to Division 23 (commencing with Section 33000) of the Public Resources Code in the watershed of the Los Angeles River upstream of the northernmost boundary of the City of Vernon and pursuant to Division 22.8 (commencing with Section 32600) of the Public Resources Code in the San Gabriel River and in the lower Los Angeles River watershed.

#### §79509. Projects consistent with Record of Decision.

Except for projects financed pursuant to Chapter 6 (commencing with Section 79545) or Chapter 10 (commencing with Section 79570), to be eligible to be financed pursuant to this division, any project that will wholly or partially assist in the fulfillment of one or more of the goals of the CALFED Bay-Delta Program shall be consistent with the CALFED Programmatic Record of Decision, and shall be implemented, to the maximum extent possible, through local and regional programs.

# CHAPTER 2. THE WATER SECURITY, CLEAN DRINKING WATER, COASTAL AND BEACH PROTECTION FUND OF 2002

#### §79510. Fund created.

The Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 is hereby created.

#### §79511. Limitation on funds.

All money deposited in the fund shall be used only for the purposes and in the amounts set forth in this division and for no other purpose.

# §79512. Reappropriation.

Except as otherwise expressly provided in this division, upon a finding by the agency authorized to administer or expend money appropriated from the fund that a particular project or program for which money has been allocated or granted cannot be completed, or that the amount that was appropriated, allocated, or granted is in excess of the total amount needed, the Legislature may reappropriate the money for other high priority needs consistent with this division.

# **CHAPTER 3. WATER SECURITY**

#### §79520. Protecting water systems.

The sum of fifty million dollars (\$50,000,000) shall be available for appropriation by the Legislature from the fund for the purpose of protecting state, local, and regional drinking water systems from terrorist attack or deliberate acts of destruction or degradation. This money may be expended or granted for monitoring and early warning systems, fencing, protective structures, contamination treatment facilities, emergency interconnections, communications systems, and other projects designed to prevent damage to water treatment, distribution, and supply facilities, to prevent disruption of drinking water deliveries, and to protect drinking water supplies from intentional contamination.

#### §79521. Legislative authority.

The Legislature may enact such legislation as is necessary to implement this chapter.

# §79522. Limitation on funds appropriated to the Department.

(a) Funds made available pursuant to Section 79520 shall be appropriated to the State Department of Health Services to carry out this chapter consistent with the requirements and for the purposes specified in Section 79520.

(b) In the development of priorities for expenditure of the funds appropriated for the purposes of this section, the State Department of Health Services shall consult with the Office of Emergency Services, the state Office of Homeland Security and local water agencies to develop criteria for the department's programs.

(c) Funds allocated pursuant to this section shall not be available for grants that reimburse project costs incurred prior to the adoption of criteria for the grants provided in this section.

(d) No grant funds may be awarded to supplant funding for the routine responsibilities or obligations of any state, local, or regional drinking water system.

#### **CHAPTER 4. SAFE DRINKING WATER**

#### §79530. Grants and loans by the Department

(a) The sum of four hundred thirty-five million dollars (\$435,000,000) shall be available for appropriation by the Legislature from the fund to the State Department of Health Services for grants and loans for infrastructure improvements and related actions to meet safe drinking water standards including, but not limited to, the following types of projects:

(1) Grants to small community drinking water systems to upgrade monitoring, treatment, or distribution infrastructure.

(2) Grants to finance development and demonstration of new technologies and related facilities for water contaminant removal and treatment.

(3) Grants for community water quality monitoring facilities and equipment.

(4) Grants for drinking water source protection.

(5) Grants for treatment facilities necessary to meet disinfectant by-product safe drinking water standards.

(6) Loans pursuant to the Safe Drinking Water State Revolving Fund Law of 1997 (Chapter 4.5 (commencing with Section 116760) of Part 12 of Division 104 of the Health and Safety Code).

(b) Not less than 60 percent of the money appropriated pursuant to this section shall be available for grants to Southern California water agencies to assist in meeting the state's commitment to reduce Colorado River water use to 4.4 million acre feet per year.

#### §79531. Legislative authority.

The Legislature may enact such legislation as is necessary to implement this chapter.

#### §79532. Administration of funds by the Department.

(a) Funds made available pursuant to subdivision (b) of Section 79530 shall be administered in accordance with this section.

#### (b)

(1) Grant funds appropriated for the purposes of subdivision (b) of Section 79530 shall be awarded on a competitive basis.

(2) The department shall consolidate the application process required to implement the grant program described in this section.

(c) For the purposes of this chapter, "Southern California water agencies" means water agencies whose service area is entirely or partly in one or more of the following counties: San Diego, Imperial, Riverside, Orange, Los Angeles, San Bernardino, Santa Barbara, or Ventura.

(d) Grants may be awarded to Southern California water agencies for eligible projects undertaken by one or more Southern California water agencies and other entities.

(e) A project funded by a grant made pursuant to subdivision (b) of Section 79530 shall meet both of the following requirements:

(1) The project will assist the grantee to meet safe drinking water standards.

(2) The project will assist in meeting the state's commitment to reduce Colorado River water use to 4.4 million acre-feet per year.

(f) In the development of criteria for the grants awarded pursuant to this section, the State Department of Health Services shall consult with the Office of Environmental Health Hazard Assessment for the purposes of developing a program that gives priority to projects that reduce public and environmental exposure to contaminants that pose the most significant health risks, and that will bring water systems into compliance with safe drinking water standards. These include, but are not limited to, projects that address public exposure to contaminants for which safe drinking water standards have been established, including arsenic, disinfection byproducts and uranium. Projects to address emerging contaminants, including perchlorate, chromium 6, and endocrine disrupters shall also be given priority.

# §79534. Department administration of funds for Southern California agencies.

(a) Funds made available pursuant to paragraph (1), (2), (3), (4), or (5) of subdivision (a) of Section 79530, and not for the purposes of subdivision (b) of that section, shall be administered in accordance with this section.

(b):

(1) Grants shall be awarded in accordance with subdivision (a) of Section 79530 on a statewide competitive basis.

(2) A project that is eligible for funding for the purposes of subdivision (b) of Section 79530 is not eligible for a grant subject to this section.

(c) For the purposes of this chapter, "small community" means a municipality with a population of 3,300 persons or fewer, or 1,000 connections or fewer.

(d) The State Department of Health Services shall consolidate the application process required to implement the grant program described in this section.

(e) In the development of criteria for the grants awarded under this section, the State Department of Health Services shall consult with the Office of Environmental Health Hazard Assessment for the purpose of developing a program that gives priority to projects that pose the most significant health risks, and that will bring water systems into compliance with safe drinking water standards. These include, but are not limited to, projects that address public exposure to contaminants for which safe drinking water standards have been established, including arsenic, disinfection byproducts and uranium. Projects to address emerging contaminants, including perchlorate, chromium 6, and endocrine disrupters shall also be given priority.

(f) Grants awarded pursuant to this section may not exceed ten million dollars (\$10,000,000) for any one project.

# CHAPTER 5. CLEAN WATER AND WATER QUALITY

#### §79540. Grants by the State Board.

(a) The sum of one hundred million dollars (\$100,000,000) shall be available for appropriation by the Legislature from the fund to the board for competitive grants for the following purposes:

- (1) Water pollution prevention.
- (2) Water reclamation.
- (3) Water quality improvement.
- (4) Water quality blending and exchange projects.
- (5) Drinking water source protection projects.

(6) Projects to mitigate pathogen risk from recreational uses at drinking water storage facilities.

(b) Priority shall be given to projects that assist in meeting water quality standards established by the board.

(c) The Legislature may enact such legislation as is necessary to implement this section.

# §79540.1. Limitation on State Board grants.

(a) Grants shall be awarded in accordance with Section 79540 on a statewide competitive basis.

(b) To the extent funds appropriated pursuant to Section 79540 are expended for the purposes of programs established under Division 20.4 (commencing with Section 30901) of the Public Resources Code, those funds shall comply with the requirements of that division.

#### <u>§79541. River parkways.</u>

The sum of one hundred million dollars (\$100,000,000) shall be available for appropriation by the Legislature from the fund to the secretary for the acquisition from willing sellers, restoration, protection, and development of river parkways. The secretary shall allocate this money in accordance with Article 6 (commencing with Section 78682) of Chapter 6 of Division 24 or pursuant to any other statute that provides for the acquisition, restoration, protection, and development of river parkways. Priority shall be given to projects that are implemented pursuant to approved watershed plans and include water quality and watershed protection benefits. This money may also be used to acquire facilities necessary to provide flows to improve water quality downstream.

#### <u>§79542. Lake Tahoe.</u>

The sum of forty million dollars (\$40,000,000) shall be available for appropriation by the Legislature from the fund to the California Tahoe Conservancy for acquisition from willing sellers, restoration, and protection of land and water resources to improve water quality in Lake Tahoe.

# §79543. Santa Monica Bay and other coastal waters.

(a) The sum of one hundred million dollars (\$100,000,000) shall be available for appropriation by the Legislature from the fund to the board for the purpose of financing projects that restore and protect the water quality and environment of coastal waters, estuaries, bays and nearshore waters, and groundwater.

(b) All expenditures, grants, and loans made pursuant to this section shall be consistent with the requirements of Article 5 (commencing with Section 79148) of Chapter 7 of Division 26.

(c) Of the money made available pursuant to this section, not less than twenty million dollars (\$20,000,000) shall be expended to implement priority actions specified in the Santa Monica Bay Restoration Plan. Money appropriated pursuant to this subdivision shall be allocated as recommended by the Santa Monica Bay Restoration Commission.

(d) Money made available pursuant to this section shall supplement, not supplant, money appropriated or available pursuant to that Article 5 (commencing with Section 79148), and no money appropriated pursuant to this section shall be used for a project for which an appropriation was made pursuant to that Article 5 (commencing with Section 79148).

# §79544. Sierra Nevada-Cascade Mountain Region.

The sum of thirty million dollars (\$30,000,000) shall be available for appropriation by the Legislature from the fund to the secretary for the purpose of grants to local public agencies, local water districts, and nonprofit organizations for acquisition from willing sellers of land and water resources to protect water quality in lakes, reservoirs, rivers, streams and wetlands in the Sierra Nevada-Cascade Mountain Region as defined in Section 5096.347 of the Public Resources Code.

# **CHAPTER 6. CONTAMINANT AND SALT REMOVAL TECHNOLOGIES**

### §79545. Desalination, ultraviolet, ozone and pilot projects.

The sum of one hundred million dollars (\$100,000,000) shall be available for appropriation by the Legislature from the fund to the department for grants for the following projects:

(a) Desalination of ocean or brackish waters. Not less than fifty million dollars (\$50,000,000) of the money appropriated by this chapter shall be available for desalination projects. To be eligible to receive a grant, at least 50 percent of the total cost of the project shall be met by matching funds or donated services from non-state sources.

- (b) Pilot and demonstration projects for treatment or removal of the following contaminants:
  - (1) Petroleum products, such as MTBE and BTEX.
  - (2) N-Nitrosodimethylamine (NDMA).
  - (3) Perchlorate.
  - (4) Radionuclides, such as radon, uranium, and radium.
  - (5) Pesticides and herbicides.
  - (6) Heavy metals, such as arsenic, mercury, and chromium.
  - (7) Pharmaceuticals and endocrine disrupters.
- (c) Drinking water disinfecting projects using ultraviolet technology and ozone treatment.

#### §79546. Legislative authority.

The Legislature may enact such legislation as is necessary to implement this chapter.

#### §79547. Competitive grants.

(a) Funds made available pursuant to Section 79545 shall be administered in accordance with this section.

(b) Grants shall be awarded in accordance with Section 79545 on a statewide competitive basis.

# §79547.2. Selection basis and limitation.

(a) For the purposes of implementing subdivision (a) of Section 79545, eligible projects shall be selected based on demonstrated need for new or alternative water supplies, project readiness, and the degree to which the project avoids or mitigates adverse environmental impacts. Preference shall be given to eligible projects that incorporate ecosystem restoration and water quality benefits.

(b) A grant made pursuant to subdivision (a) of Section 79545 may not exceed five million dollars (\$5,000,000).

(c) For the purposes of this section, "desalination project" includes construction, planning, engineering, design, environmental assessments, or related work necessary for the construction of a desalination facility, or the construction of a pilot or demonstration facility.

# CHAPTER 7. CALFED BAY-DELTA PROGRAM §79550. Allocation of funds.

The sum of eight hundred twenty-five million dollars (\$825,000,000) shall be available for appropriation by the Legislature from the fund for the balanced implementation of the CALFED Bay-Delta Program. Expenditures and grants pursuant to this chapter shall be limited to the following:

(a) Fifty million dollars (\$50,000,000) for surface water storage planning and feasibility studies.

(b) Seventy-five million dollars (\$75,000,000) for the water conveyance facilities described in subparagraph (B) of paragraph (2) of subdivision (d) of Section 79190.

(c) Seventy million dollars (\$70,000,000) for Delta levee restoration. Money expended pursuant to this subdivision shall be subject to Section 79050.

(d) One hundred eighty million dollars (\$180,000,000) for water supply reliability projects that can be implemented expeditiously and thereby provide near-term benefits, including, but not limited to, projects that facilitate groundwater management and storage, water transfers, and acquisition of water for the CALFED environmental water account. In acquiring water, preference shall be given to long-term water purchase contracts and water rights. Money allocated pursuant to this subdivision shall be subject to Article 4 (commencing with Section 79205.2) of Chapter 9 of Division 26.

(e) One hundred eighty million dollars (\$180,000,000) for ecosystem restoration program implementation of which not less than twenty million dollars (\$20,000,000) shall be allocated for projects that assist farmers in integrating agricultural activities with ecosystem restoration.

(f) Ninety million dollars (\$90,000,000) for watershed program implementation.

(g) One hundred eighty million dollars (\$180,000,000) for urban and agricultural water conservation, recycling, and other water use efficiency projects.

#### §79551. Review, monitoring and assessment.

All appropriations pursuant to this chapter shall include money for independent scientific review, monitoring, and assessment of the results or effectiveness of the project or program expenditure.

# §79552. Consistent with Record of Decision.

All projects financed pursuant to this chapter shall be consistent with the CALFED Programmatic Record of Decision including its provisions regarding finance and balanced implementation.

#### §79553. Priorities and limitation on administrative cost.

Consistent with the CALFED Programmatic Record of Decision, priority shall be given to projects that achieve multiple benefits across CALFED program elements. Not more than 5 percent of the money available pursuant to this chapter may be used for administrative costs.

# §79554. Real property.

All real property acquired with money appropriated or granted pursuant to subdivision (e) or (f) of Section 79550 shall be acquired from willing sellers.

# §79555. Water rights and report to legislature.

(a) For the 2004-05 fiscal year, and each fiscal year thereafter, not less than 50 percent of the funds made available pursuant to subdivision (d) of Section 79550 for acquisition of water for the CALFED environmental water account shall be expended for long-term water purchase contracts, permanent water rights, and associated costs.

(b) The California Bay-Delta Authority shall report annually to the Legislature on the state's efforts in acquiring long-term purchase contracts and permanent water rights in accordance with this section.

#### **CHAPTER 8. INTEGRATED REGIONAL WATER MANAGEMENT** §79560. Grants for water quantity and quality; limitations.

The sum of five hundred million dollars (\$500,000,000) shall be available for appropriation by the Legislature from the fund for competitive grants for projects set forth in this section to protect communities from drought, protect and improve water quality, and improve local water security by reducing dependence on imported water. No project financed pursuant to this section shall include an on-stream surface water storage facility or an off-stream surface water storage facility other than percolation ponds for groundwater recharge in urban areas. No river or stream channel modification project whose construction or operation causes any negative environmental impacts may be financed pursuant to this chapter unless those impacts are fully mitigated.

# §79560.1. Department to administer 50% of funds.

(a) The department shall administer 50 percent of the funds, and the board shall administer the remaining 50 percent of the funds, made available to the program described in Sections 79560 and 79561.

(b) For projects proposed to be funded pursuant to Section 79560 that include any modification of a river or stream channel, the state agency making the grant, prior to the award of the grant, shall determine whether the environmental impacts resulting from that modification will be fully mitigated by considering all of the impacts of that modification and any mitigation, environmental enhancement, and environmental benefit resulting from the project, and determining whether, on balance, any environmental enhancement or benefit equals or exceeds any negative environmental impacts of the project. The costs of mitigation or enhancement may be included in the project costs eligible for funding pursuant to Section 79560.

(c) This section shall become operative only if the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 is approved by the voters at the November 5, 2002, statewide general election.

#### §79560.5. Department and Board to jointly develop guidelines.

For the purposes of carrying out this chapter, the department and the board shall jointly develop project solicitation and evaluation guidelines. Before developing the solicitation and evaluation guidelines, the department and the board shall jointly conduct a public meeting to receive public comments on the scope, procedures, and content of the guidelines. Considering the public comments, the department and the board shall jointly develop solicitation and evaluation guidelines that are consistent with law and state programs and policies. The department and the board shall post the solicitation and evaluation guidelines on their respective Internet Web sites.

#### §79561. Elements for water management projects.

Money appropriated in Section 79560 shall be available for grants for water management projects that include one or more of the following elements:

(a) Programs for water supply reliability, water conservation, and water use efficiency.

(b) Storm water capture, storage, treatment, and management.

(c) Removal of invasive non-native plants, the creation and enhancement of wetlands, and the acquisition, protection, and restoration of open space and watershed lands.

(d) Non-point source pollution reduction, management, and monitoring.

(e) Groundwater recharge and management projects.

(f) Contaminant and salt removal through reclamation, desalting, and other treatment technologies.

(g) Water banking, exchange, reclamation, and improvement of water quality.

(h) Planning and implementation of multipurpose flood control programs that protect property; and improve water quality, storm water capture and percolation; and protect or improve wildlife habitat.

(i) Watershed management planning and implementation.

(j) Demonstration projects to develop new drinking water treatment and distribution methods.

#### §79561.5. Allocation and limitation on funds.

(a) Notwithstanding any other provision of law, of the funds appropriated to the department for the purposes of Section 79560 and 79560.1, the department shall allocate the sum of not less than twenty million dollars (\$20,000,000) to competitive grants for groundwater management and recharge projects. The department shall not allocate funds pursuant to this section unless it determines that the allocation is consistent with this division, as approved by the voters at the November 5, 2002, statewide general election.

(b) It is the intent of the Legislature that these funds be used to enhance water supply in rapidly growing areas of this state with limited access to imported water supplies.

(c) Not more than 50 percent of the grants pursuant to this section shall be for projects in northern California. For projects in southern California, the department shall give preference to projects outside the service area of the Metropolitan Water District of Southern California that are infill projects within one mile of established residential and commercial development.

(d) As used in this section, the term "rapidly growing areas" means counties located in southern California where the county population increased by 2.4 percent or more between January 1, 2002, and January 1, 2003.

# §79562. Statewide groundwater monitoring.

An amount, not to exceed 10 percent of the money available for appropriation in Section 79560, may be appropriated by the Legislature for facilities, equipment, and other expenses associated with the establishment of comprehensive statewide groundwater monitoring pursuant to Part 2.76 (commencing with Section 10780) of Division 6.

# §79562.5. Requirements and waivers.

(a) For the purposes of carrying out Section 79560, the department shall award grants to eligible projects consistent with an adopted integrated regional water management plan.

(b) For purposes of subdivision (a), the department shall establish standards for integrated regional water management plans. At a minimum, these plans shall address the major water related objectives and conflicts of the watersheds in the region covered by the plan, including water supply, groundwater management, ecosystem restoration, and water quality elements, and may include other elements consistent with this chapter.

(c) The department may waive the requirement for consistency with an adopted integrated regional water management plan until January 1, 2007, if the applicant is engaged in the development of an integrated regional water management plan and indicates, within its grant application, how the project fits into achieving the integrated regional water management plan objectives.

(d) The department may waive the matching fund requirement for disadvantaged communities.

(e) For groundwater management and recharge projects and for projects with potential groundwater impacts, the board and the department shall give preference to eligible projects in areas subject to a groundwater management plan that meets the requirements of Section 10753.7, or that includes the development of a groundwater management plan as a project component.

(f) The maximum award for any single grant pursuant to this section may not exceed fifty million dollars (\$50,000,000).

(g) The department shall require that eligible projects include a nonstate contribution.

(h) For the purposes of implementing Section 79563, and to the extent funds are expended for the purposes of Section 30947 of the Public Resources Code, those funds shall comply with the requirements of that section.

# §79563. Process for Board.

At least 50 percent of the amount available for appropriation in Section 79560 shall be appropriated to the board. The board shall establish procedures for selecting among eligible projects specified in Section 79561 that use the procedures developed by the board for stakeholder-based accelerated selection and contracting pursuant to Section 79104.32.

# §79563.5. Board Funding.

(a) The board, to the extent that funds are appropriated pursuant to Section 79563 of the Water Code for purposes that are consistent with this section, shall fund the development of one or more integrated coastal watershed management plans.

(b) The plans shall be designed to allow for the integration of projects funded by the State Coastal Conservancy pursuant to Chapter 5.5 (commencing with Section 31220) of Division 21 of the Public Resources Code, and projects funded by the board pursuant to Chapter 3 (commencing with Section 30915) and Article 5 (commencing with Section 30945) of Chapter 4, of Division 20.4 of the Public Resources Code, within one or more coastal regions.

(c) The planning areas shall be selected by the board in consultation with the State Coastal Conservancy and the Department of Fish and Game and shall include coastal watersheds that influence water quality in areas of special biological significance.

(d) The board may only expend funds for the purposes of this section to the extent the board determines that the expenditures are consistent with the requirements of this chapter.

### §79564. Criteria for Board.

To be eligible for financing pursuant to Section 79563, a project shall meet both of the following criteria:

(a) The project is consistent with an adopted integrated water management plan designed to improve regional water supply reliability, water recycling, water conservation, water quality improvement, storm water capture and management, flood management, recreation and access, wetlands enhancement and creation, and environmental and habitat protection and improvement.

(b) The project includes matching funds or donated services from non-state sources.

## §79564.1. Geographic distribution of funds.

(a) Of the funds made available by Section 79560, not less than 40 percent shall be available for eligible projects in northern California and not less than 40 percent be available for eligible projects in southern California, subject to a determination by the administering agency that each project meets all of the requirements of this chapter.

(b) For the purposes of this section, "southern California" means the Counties of San Diego, Imperial, Riverside, Orange, Los Angeles, Santa Barbara, San Bernardino, and Ventura.

(c) For the purposes of this section, "northern California" means all California counties except those identified in subdivision (b).

### §79565. Wildlife Conservation Board.

Notwithstanding Section 13340 of the Government Code, the sum of one hundred forty million dollars (\$140,000,000) is hereby continuously appropriated from the fund to the Wildlife Conservation Board, without regard to fiscal years, for expenditure by the board and for grants, for the acquisition from willing sellers of land and water resources, including the acquisition of conservation easements, to protect regional water quality, protect and enhance fish and wildlife habitat, and to assist local public agencies in improving regional water supply reliability.

# CHAPTER 9. COLORADO RIVER <u>§79567. Canal lining.</u>

The sum of twenty million dollars (\$20,000,000) shall be available for appropriation by the Legislature from the fund to the department for grants for canal lining and related projects necessary to reduce Colorado River water use pursuant to the California Colorado River Water Use Plan adopted by the Colorado River Board of California.

## §79568. Funds to meet State's obligation.

(a) The sum of fifty million dollars (\$50,000,000) shall be available for appropriation by the Legislature from the fund to the Wildlife Conservation Board for the acquisition, protection, and restoration of land and water resources necessary to meet state obligations for regulatory requirements related to California's allocation of water supplies from the Colorado River. No money allocated pursuant to this section may be used to supplant or pay for the regulatory mitigation obligations of private parties under state or federal law.

(b) All real property acquired pursuant to this section shall be acquired from willing sellers.

## CHAPTER 10. COASTAL WATERSHED AND WETLAND PROTECTION <u>§79570. Coastal watersheds</u>

The sum of two hundred million dollars (\$200,000,000) shall be available for appropriation by the Legislature from the fund for expenditures and grants for the purpose of protecting coastal watersheds, including, but not limited to, acquisition, protection, and restoration of land and water resources and associated planning, permitting, and administrative costs, in accordance with the following schedule:

(a) The sum of one hundred twenty million dollars (\$120,000,000) to the State Coastal Conservancy for coastal watershed protection pursuant to Division 21 (commencing with Section 31000) of the Public Resources Code.

(b) The sum of twenty million dollars (\$20,000,000) to the State Coastal Conservancy for expenditure for the San Francisco Bay Conservancy Program for coastal watershed protection pursuant to Chapter 4.5 (commencing with Section 31160) of Division 21 of the Public Resources Code.

(c) The sum of forty million dollars (\$40,000,000) to the Santa Monica Mountains Conservancy. Twenty million dollars (\$20,000,000) of this sum shall be expended for protection of the Los Angeles River watershed upstream of the northernmost boundary of the City of Vernon, and twenty million dollars (\$20,000,000) shall be expended for protection of the Santa Monica Bay and Ventura County coastal watersheds, pursuant to Division 23 (commencing with Section 33000) of the Public Resources Code.

(d) The sum of twenty million dollars (\$20,000,000) to the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy for protection of the San Gabriel and lower Los Angeles River watersheds pursuant to Division 22.8 (commencing with Section 32600) of the Public Resources Code.

#### §79571. Promote public access and participation.

Ten percent of the money allocated in each of the categories in Section 79570 shall be used for grants for the acquisition and development of facilities to promote public access to and participation in the conservation of land, water, and wildlife resources. Eligible projects include, but are not limited to, the following:

(a) Training and research facilities for watershed protection and water conservation activities conducted by nonprofit organizations. Priority shall be given to projects operated by nonprofit organizations in collaboration with the University of California and public water agencies.

(b) Nature centers that are in or adjacent to watersheds and wetlands identified for protection pursuant to this chapter, that provide wildlife viewing, outdoor experiences, and conservation education programs to the public and to students. Priority shall be given to projects that are operated by or in cooperation with nonprofit organizations and are designed to serve children from urban areas that lack access to natural areas and outdoor education programs.

#### §79572. Urban areas.

(a) Notwithstanding Section 13340 of the Government Code, the sum of seven hundred fifty million dollars (\$750,000,000) is hereby continuously appropriated from the fund to the Wildlife Conservation Board, without regard to fiscal years, for the acquisition, protection, and restoration of coastal wetlands, upland areas adjacent to coastal wetlands, and coastal watershed lands. Money appropriated pursuant to this section shall be for the acquisition, protection, and restoration of lands in or adjacent to urban areas. Eligible projects shall be limited to the following:

(1) Acquisition, protection, and restoration of coastal wetlands identified in the Southern California Coastal Wetlands Inventory as of January 1, 2001, published by the State Coastal Conservancy, located within the coastal zone, and other wetlands connected and proximate to such coastal wetlands, and upland areas adjacent and proximate to such coastal wetlands, or coastal wetlands identified for acquisition, protection, and restoration in the San Francisco Baylands Ecosystem Habitat Goals Report, and upland areas adjacent to the identified wetlands.

(2) Acquisition, protection, and restoration of coastal watershed and adjacent lands located in Los Angeles, Ventura, and Santa Barbara Counties. Any project financed pursuant to this paragraph within the Santa Monica Mountains Zone, as defined in Section 33105 of the Public Resources Code, shall be by grant from the Wildlife Conservation Board to the Santa Monica Mountains Conservancy. Any project financed pursuant to this paragraph within the Baldwin Hills area, as defined in Section 32553 of the Public Resources Code, shall be by grant from the Wildlife Conservancy.

(b) Not less than three hundred million dollars (\$300,000,000) of the amount appropriated in this section shall be expended or granted for projects within Los Angeles and Ventura Counties. Of the remaining funds available pursuant to this section the Wildlife Conservation Board shall give priority to the acquisition of not less than 100 acres consisting of upland mesa areas, including wetlands therein, adjacent to the state ecological reserve in the Bolsa Chica wetlands in Orange County.

(c) Not more than two hundred million dollars (\$200,000,000) of the amount appropriated in this section may be expended or granted for projects in the San Francisco Bay area, as described in Section 31162 of the Public Resources Code. Any project within the San Francisco Bay area may be by grant from the Wildlife Conservation Board to the State Coastal Conservancy.

### §79573. Fair market value from willing sellers.

(a) The purchase price for each acquisition made pursuant to Section 79572 shall not exceed the fair market value of the property as defined in Section 1263.320 of the Code of Civil Procedure. Fair market value shall be determined by an appraisal that is prepared by a licensed real estate appraiser and approved by the Wildlife Conservation Board and the Department of General Services.

(b) All real property acquired pursuant to this chapter shall be acquired from willing sellers.

## **CHAPTER 10.5. REPORTING**

## §79575. Annually to the legislature.

Not later than January 1, 2005, and on or before January 1 of each year thereafter, each state agency expending funds pursuant to this division for projects, grants, or loans shall report to the Legislature on the recipient and amount of each project, grant, or loan awarded under this division during the previous fiscal year. The information shall include the total amount awarded, categorized by project, grant, or loan, the geographic distribution of projects, grants, or loans awarded under this division, and the intended public and environmental benefit that the awards provide. The information shall also include data on the balances of funds available under this division for expenditures and grants in that fiscal year and future fiscal years.

## CHAPTER 11. FISCAL PROVISIONS <u>§79580. Authorization for bonds.</u>

Bonds in the total amount of three billion four hundred forty million dollars (\$3,440,000,000), not including the amount of any refunding bonds issued in accordance with Section 79588, or so much thereof as is necessary, may be issued and sold to be used for carrying out the purposes set forth in this division and to be used to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bond proceeds shall be deposited in the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 created by Section 79510. The bonds shall, when sold, be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal of and interest on the bonds as they become due and payable.

## §79581. Incorporation of general obligation bond law statutes.

The bonds authorized by this division shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), and all provisions of that law shall apply to the bonds and to this division and are hereby incorporated in this division by this reference as though fully set forth in this division.

## §79582. Committee.

(a) Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this division, the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 Finance Committee is hereby created. For purposes of this division, the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 Finance Committee is "the committee" as that term is used by the State General Obligation Bond Law. The committee shall consist of the Controller, the Director of Finance, and the Treasurer, or their designated representatives. The Treasurer shall serve as chairperson of the committee.

(b) For purposes of this chapter and the State General Obligation Bond Law, the secretary is designated as "the board."

## §79583. Committee's authority.

The committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this division in order to carry out the actions specified in this division and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.

## §79584. Collection.

There shall be collected annually in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds maturing each year, and it is the duty of all officers charged by law with any duty in regard to the collection of the revenue to do so and perform each and every act that is necessary to collect that additional sum.

## §79585. Appropriation from general fund.

Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund, for purposes of this division, an amount that will equal the total of the following:

(a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this division, as the principal and interest become due and payable.

(b) The sum which is necessary to carry out the provisions of Section 79586, appropriated without regard to fiscal years.

## §79586. Advance from general fund.

For the purposes of carrying out this division, the Director of Finance may authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds that have been authorized to be sold for the purpose of carrying out this division. Any amounts withdrawn shall be deposited in the fund. Any money made available under this section shall be returned to the General Fund, plus the interest that the amounts would have earned in the Pooled Money Investment Account, from money received from the sale of bonds that would otherwise be deposited in that fund.

### §79587. Reservation and transfer to the general fund.

All money derived from premium and accrued interest on bonds sold shall be reserved and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.

## §79588. Refunding bonds.

Any bonds issued or sold pursuant to this division may be refunded by the issuance of refunding bonds in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code. Approval by the electors of the state for the issuance of the bonds shall include approval of the issuance of any bonds issued to refund any bonds originally issued or any previously issued refunding bonds.

## §79589. Not "proceeds of taxes".

The people of California hereby find and declare that inasmuch as the proceeds from the sale of bonds authorized by this division are not "proceeds of taxes" as that term is used in Article XIIIB of the California Constitution, the disbursement of these proceeds is not subject to the limitation imposed by that article.

### §79590. Cost of bond issuance.

Pursuant to Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code, the cost of bond issuance shall be paid out of the bond proceeds. These costs shall be shared proportionally by each program funded under this division. Actual costs incurred in connection with administering programs authorized under the categories specified in this division shall be paid by the funds authorized for those purposes by this division.

## §79591. Bond Reallocation.

Notwithstanding any other law, ninety-five million dollars (\$95,000,000) of the unissued bonds authorized for the purposes of this division are reallocated for the purposes of, and shall be authorized, issued, and appropriated in accordance with, Division 26.7 (commencing with Section 79700). The funds available for reallocation shall be made on a pro-rata basis from each bond allocation of this division.

## DIVISION 26.7. WATER QUALITY, SUPPLY, AND INFRASTRUCTURE IMPROVEMENT ACT OF 2014 CHAPTER 1. SHORT TITLE

## <u>§79700. Title.</u>

This division shall be known, and may be cited, as the Water Quality, Supply, and Infrastructure Improvement Act of 2014.

## CHAPTER 2. FINDINGS <u>§79701. Findings.</u>

The people of California find and declare all of the following:

(a) Safeguarding California's supply of clean and safe water for homes, businesses, and farms is an essential responsibility of government, and critical to protecting the quality of life for all Californians.

(b) Every Californian should have access to clean, safe, and reliable drinking water.

(c) California has been experiencing more frequent and severe droughts and is currently enduring the worst drought in 200 years. These droughts are magnifying the shortcomings of our current water infrastructure.

(d) California's water infrastructure continues to age and deteriorate. More than 50 years ago, Californians approved the construction of the State Water Project. In recent decades, however, that infrastructure has proven inadequate to meet California's growing needs.

(e) This measure provides funding to implement the three objectives of the California Water Action Plan which are more reliable water supplies, the restoration of important species and habitat, and a more resilient and sustainably managed water infrastructure.

(f) Developing and guarding our water resources is critical for California to maintain vibrant communities, globally competitive agriculture, and healthy ecosystems.

(g) Encouraging water conservation and recycling are commonsense methods to make more efficient use of existing water supplies.

(h) Sustainable water management in California depends upon reducing and reversing overdraft and water quality impairment of groundwater basins. Investments to expand groundwater storage and reduce and reverse overdraft and water quality impairment of groundwater basins provide extraordinary public benefit and are in the public interest.

(i) Protecting lakes, rivers, and streams, cleaning up polluted groundwater supplies, and preserving water sources that supply the entire state are crucial to providing a reliable supply of water and protecting the state's natural resources.

(j) The Water Quality, Supply, and Infrastructure Improvement Act of 2014 provides a comprehensive and fiscally responsible approach for addressing the varied challenges facing California's water resources.

## **CHAPTER 3. DEFINITIONS**

#### §79702. Definitions.

Unless the context otherwise requires, the definitions set forth in this section govern the construction of this division, as follows:

(a) "Acquisition" means obtaining a fee interest or any other interest in real property, including easements, leases, water, water rights, or interest in water obtained for the purposes of instream flows and development rights.

(b) "CALFED Bay-Delta Program" means the program described in the Record of Decision dated August 28, 2000.

(c) "Commission" means the California Water Commission.

(d) "Committee" means the Water Quality, Supply, and Infrastructure Improvement Finance Committee created by Section 79787.

(e) "Delta" means the Sacramento-San Joaquin Delta, as defined in Section 85058.

(f) "Delta conveyance facilities" means facilities that convey water directly from the Sacramento River to the State Water Project or the federal Central Valley Project pumping facilities in the south Delta.

(g) "Delta counties" means the Counties of Contra Costa, Sacramento, San Joaquin, Solano, and Yolo.

(h) "Delta plan" has the meaning set forth in Section 85059.

(i) "Director" means the Director of Water Resources.

(j) "Disadvantaged community" has the meaning set forth in subdivision (a) of Section 79505.5, as it may be amended.

(k) "Economically distressed area" means a municipality with a population of 20,000 persons or less, a rural county, or a reasonably isolated and divisible segment of a larger municipality where the segment of the population is 20,000 persons or less, with an annual median household income that is less than 85 percent of the statewide median household income, and with one or more of the following conditions as determined by the department:

(1) Financial hardship.

(2) Unemployment rate at least 2 percent higher than the statewide average.

(3) Low population density.

(l) "Fund" means the Water Quality, Supply, and Infrastructure Improvement Fund of 2014 created by Section 79715.

(m) "Instream flows" means a specific streamflow, measured in cubic feet per second, at a particular location for a defined time, and typically follows seasonal variations.

(n) "Integrated regional water management plan" has the meaning set forth in Part 2.2 (commencing with Section 10530) of Division 6, as that part may be amended.

(o) "Long-term" means for a period of not less than 20 years.

(p) "Nonprofit organization" means an organization qualified to do business in California and qualified under Section 501(c)(3) of Title 26 of the United States Code.

(q) "Proposition 1E" means the Disaster Preparedness and Flood Prevention Bond Act of 2006 (Chapter 1.699 (commencing with Section 5096.800) of Division 5 of the Public Resources Code).

(r) "Proposition 84" means the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Division 43 (commencing with Section 75001) of the Public Resources Code).

(s) "Public agency" means a state agency or department, special district, joint powers authority, city, county, city and county, or other political subdivision of the state.

(t) "Rainwater" has the meaning set forth in subdivision (c) of Section 10573.

(u) "Secretary" means the Secretary of the Natural Resources Agency.

(v) "Severely disadvantaged community" has the meaning set forth in Section 116760.20 of the Health and Safety Code.

(w) "Small community water system" means a community water system that serves no more than 3,300 service connections or a year-long population of no more than 10,000 persons.

(x) "State board" means the State Water Resources Control Board.

(y) "State General Obligation Bond Law" means the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code).

(z) "State small water system" has the meaning set forth in subdivision (n) of Section 116275 of the Health and Safety Code.

(aa) "Stormwater" has the meaning set forth in subdivision (e) of Section 10573.

(ab) "Water right" means a legal entitlement authorizing water to be diverted from a specified source and put to a beneficial, nonwasteful use.

## CHAPTER 4. GENERAL PROVISIONS

### §79703. Administrative Costs.

An amount that equals not more than 5 percent of the funds allocated for a grant program pursuant to this division may be used to pay the administrative costs of that program.

## §79704. Planning and Monitoring for Design.

Unless otherwise specified, up to 10 percent of funds allocated for each program funded by this division may be expended for planning and monitoring necessary for the successful design, selection, and implementation of the projects authorized under that program. This section shall not otherwise restrict funds ordinarily used by an agency for "preliminary plans," "working drawings," and "construction" as defined in the annual Budget Act for a capital outlay project or grant project. Water quality monitoring data shall be collected and reported to the state board in a manner that is compatible and consistent with surface water monitoring data systems or groundwater monitoring data systems administered by the state board. Watershed monitoring data shall be collected and reported to the Department of Conservation in a manner that is compatible and consistent with the statewide watershed program administered by the Department of Conservation.

### §79705. Non-applicability of Administrative Regulations and Rulemaking Requirements.

Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code does not apply to the development or implementation of programs or projects authorized or funded under this division other than Chapter 8 (commencing with Section 79750).

#### §79706. Development of Guidelines.

(a) Prior to disbursing grants or loans pursuant to this division, each state agency that receives an appropriation from the funding made available by this division to administer a competitive grant or loan program under this division shall develop and adopt project solicitation and evaluation guidelines. The guidelines shall include monitoring and reporting requirements and may include a limitation on the dollar amount of grants or loans to be awarded. If the state agency has previously developed and adopted project solicitation and evaluation guidelines that comply with the requirements of this subdivision, it may use those guidelines.

(b) Prior to disbursing grants or loans, the state agency shall conduct three public meetings to consider public comments prior to finalizing the guidelines. The state agency shall publish the draft solicitation and evaluation guidelines on its Internet Web site at least 30 days before the public meetings. One meeting shall be conducted at a location in northern California, one meeting shall be conducted at a location in the central valley of California, and one meeting shall be conducted at a location in southern California. Upon adoption, the state agency shall transmit copies of the guidelines to the fiscal committees and the appropriate policy committees of the Legislature.

### <u>§79707. Intent.</u>

It is the intent of the people that:

(a) The investment of public funds pursuant to this division will result in public benefits that address the most critical statewide needs and priorities for public funding.

(b) In the appropriation and expenditure of funding authorized by this division, priority will be given to projects that leverage private, federal, or local funding or produce the greatest public benefit.

(c) A funded project advances the purposes of the chapter from which the project received funding.

(d) In making decisions regarding water resources, state and local water agencies will use the best available science to inform those decisions.

(e) Special consideration will be given to projects that employ new or innovative technology or practices, including decision support tools that support the integration of multiple jurisdictions, including, but not limited to, water supply, flood control, land use, and sanitation.

(f) Evaluation of projects considered for funding pursuant to this division will include review by professionals in the fields relevant to the proposed project.

(g) To the extent practicable, a project supported by funds made available by this division will include signage informing the public that the project received funds from the Water Quality, Supply, and Infrastructure Improvement Act of 2014.

(h) Projects funded with proceeds from this division will be consistent with Division 7 (commencing with Section 13000) of this code and Section 13100 of the Government Code.

(i) Projects funded with proceeds from this division will promote state planning priorities consistent with the provisions of Section 65041.1 of the Government Code and sustainable communities strategies consistent with the provisions of subparagraph (B) of paragraph (2) of subdivision (b) of Section 65080 of the Government Code, to the extent feasible.

(j) California's working agricultural and forested landscapes will be preserved wherever possible. To the extent feasible, watershed objectives included in this division should be achieved through use of conservation easements and voluntary landowner participation, including, but not limited to, the use of easements pursuant to Division 10.2 (commencing with Section 10200) and Division 10.4 (commencing with Section 10330) of the Public Resources Code and voluntary habitat credit exchange mechanisms.

#### §79708. DOF Audits and Guideline Submittals.

(a) The Department of Finance shall provide for an independent audit of expenditures pursuant to this division. The secretary shall publish a list of all program and project expenditures pursuant to this division not less than annually, in written form, and shall post an electronic form of the list on the Natural Resources Agency's Internet Web site.

(b) If an audit, required by statute, of any entity that receives funding authorized by this division is conducted pursuant to state law and reveals any impropriety, the California State Auditor or the Controller may conduct a full audit of any or all of the activities of that entity.

(c) The state agency issuing any grant or loan with funding authorized by this division shall require adequate reporting of the expenditures of the funding from the grant or loan.

(d) Prior to soliciting projects pursuant to this division, state agencies shall submit guidelines to the secretary. The secretary shall verify that the guidelines are consistent with applicable statutes and for all the purposes enumerated in this division. The secretary shall post an electronic form of the guidelines submitted by state agencies and the subsequent verifications on the Natural Resources Agency's Internet Web site.

## §79708.5. Posting Information on NRA's Web Site.

In addition to the information required pursuant to Section 79708, in order to facilitate oversight of funding and projects, the secretary shall post on the Natural Resources Agency's Internet Web site information on changes to project timelines and project spending.

## §79709. Expended Funds.

(a) Funds expended pursuant to this division for the acquisition of a permanent dedication of water shall be in accordance with Section 1707 where the state board specifies that the water is in addition to water that is required for regulatory requirements as provided in subdivision (c) of Section 1707. The expenditure of funds provided by this division may include the initiation of the dedication as a short term or temporary urgency change, that is approved in accordance with Section 1707 and either Chapter 6.6 (commencing with Section 1435) of, or Chapter 10.5 (commencing with Section 1725) of, Part 2 of Division 2, during the period required to prepare any environmental documentation and for approval of permanent dedication.

(b) Funds expended pursuant to this division for the acquisition of long-term transfers of water shall be transfers in accordance with Sections 1735, 1736, and 1737 if the state board, after providing notice and opportunity for a hearing, approves such a petition. Funds expended pursuant to this division shall prioritize permanent transfers. Long-term transfers shall be for a period of not less than 20 years, except for any water transfers for the benefit of subsection (d) of Section 3406 of the Central Valley Project Improvement Act (Title 34 of Public Law 102-575).

(c) Funds expended pursuant to this division for any acquisition of water shall only be done pursuant to this section and shall only be used for projects that will provide fisheries or ecosystem benefits or improvements that are greater than required applicable environmental mitigation measures or compliance obligations in effect at the time the funds from this division are made available for the project and funds shall not be credited to any measures or obligations, except for any water transfers for the benefit of subsection (d) of Section 3406 of the Central Valley Project Improvement Act (Title 34 of Public Law 102-575).

### §79710. Delta Conveyance Facilities and Sacramento-San Joaquin Delta Conservancy.

(a) Funds provided by this division shall not be expended to pay the costs of the design, construction, operation, mitigation, or maintenance of Delta conveyance facilities. Those costs shall be the responsibility of the water agencies that benefit from the design, construction, operation, mitigation, or maintenance of those facilities.

(b) To the extent feasible, in implementing subdivision (k) of Section 79731, the Sacramento-San Joaquin Delta Conservancy shall seek to achieve wildlife conservation objectives through projects on public lands or voluntary projects on private lands. Funds available to the Sacramento-San Joaquin Delta Conservancy pursuant to subdivision (k) of Section 79731 may be used, in consultation with the Department of Fish and Wildlife, for payments to landowners for the creation of measurable habitat improvements or other improvements to the condition of endangered or threatened species. The Sacramento-San Joaquin Delta Conservancy may develop and implement a competitive program for habitat enhancements that maximizes voluntary landowner participation in projects that provide measurable and long-lasting habitat or species improvements in the Delta. These funds shall not be used to subsidize or decrease the mitigation obligations of any party.

(c) In implementing subdivision (k) of Section 79731, the Sacramento-San Joaquin Delta Conservancy shall coordinate and consult with the city or county in which a grant is proposed to be expended or an interest in real property is proposed to be acquired and with the Delta Protection Commission. Acquisitions by the Sacramento-San Joaquin Delta Conservancy pursuant to subdivision (k) of Section 79731 shall be from willing sellers only.

#### §79711. Division Applicability.

(a) This division does not diminish, impair, or otherwise affect in any manner whatsoever any area of origin, watershed of origin, county of origin, or any other water rights protections, including, but not limited to, rights to water appropriated prior to December 19, 1914, provided under the law. This division does not limit or affect the application of Article 1.7 (commencing with Section 1215) of Chapter 1 of Part 2 of Division 2, Sections 10505, 10505.5, 11128, 11460, 11461, 11462, and 11463, and Sections 12200 to 12220, inclusive.

(b) For the purposes of this division, an area that utilizes water that has been diverted and conveyed from the Sacramento River hydrologic region, for use outside the Sacramento River hydrologic region or the Delta, shall not be deemed to be immediately adjacent thereto or capable of being conveniently supplied with water therefrom by virtue or on account of the diversion and conveyance of that water through facilities that may be constructed for that purpose after January 1, 2014.

(c) Nothing in this division supersedes, limits, or otherwise modifies the applicability of Chapter 10 (commencing with Section 1700) of Part 2 of Division 2, including petitions related to any new conveyance constructed or operated in accordance with Chapter 2 (commencing with Section 85320) of Part 4 of Division 35.

(d) Unless otherwise expressly provided, nothing in this division supersedes, reduces, or otherwise affects existing legal protections, both procedural and substantive, relating to the state board's regulation of diversion and use of water, including, but not limited to, water right priorities, the protection provided to municipal interests by Sections 106 and 106.5, and changes in water rights. Nothing in this division expands or otherwise alters the state board's existing authority to regulate the diversion and use of water or the courts' existing concurrent jurisdiction over California water rights.

(e) Nothing in this division shall be construed to affect the California Wild and Scenic Rivers Act (Chapter 1.4 (commencing with Section 5093.50) of Division 5 of the Public Resources Code) or the federal Wild and Scenic Rivers Act (16 U.S.C. Sec. 1271 et seq.) and funds authorized pursuant to this division shall not be available for any project that could have an adverse effect on the values upon which a wild and scenic river or any other river is afforded protections pursuant to the California Wild and Scenic Rivers Act or the federal Wild and Scenic Rivers Act.

(f) Nothing in this division supersedes, limits, or otherwise modifies the Sacramento-San Joaquin Delta Reform Act of 2009 (Division 35 (commencing with Section 85000)) or any other applicable law, including, but not limited to, Division 22.3 (commencing with Section 32300) of the Public Resources Code.

(g) Funds provided by this division shall not be used to acquire land via eminent domain.

(h) Notwithstanding any other law, any agency acquiring land pursuant to this division may use the Natural Heritage Preservation Tax Credit Act of 2000 (Division 28 (commencing with Section 37000) of the Public Resources Code).

### §79712. Eligibility.

(a) Eligible applicants under this division are public agencies, nonprofit organizations, public utilities, federally recognized Indian tribes, state Indian tribes listed on the Native American Heritage Commission's California Tribal Consultation List, and mutual water companies.

### (b)

(1) To be eligible for funding under this division, a project proposed by a public utility that is regulated by the Public Utilities Commission or a mutual water company shall have a clear and definite public purpose and shall benefit the customers of the water system and not the investors.

(2) To be eligible for funding under this division, an urban water supplier shall adopt and submit an urban water management plan in accordance with the Urban Water Management Planning Act (Part 2.6 (commencing with Section 10610) of Division 6).

(3) To be eligible for funding under this division, an agricultural water supplier shall adopt and submit an agricultural water management plan in accordance with the Agricultural Water Management Planning Act (Part 2.8 (commencing with Section 10800) of Division 6).

(4) In accordance with Section 10608.56, an agricultural water supplier or an urban water supplier is ineligible for funding under this division unless it complies with the requirements of Part 2.55 (commencing with Section 10608) of Division 6.

### §79713. Legislation Limit.

The Legislature may enact legislation necessary to implement programs funded by this division, except as otherwise provided in Section 79760.

## §79714. State Agency Funding.

(a) Unless otherwise specified, any state agency that has the statutory authority to implement one or more of the purposes specified in this bond may be eligible for appropriations from the funding made available by this division.

(b) Funding made available by this division shall not be appropriated by the Legislature to a specific project.

(c) Projects funded pursuant to this division may use the services of the California Conservation Corps or certified community conservation corps, as defined in Section 14507.5 of the Public Resources Code.

### §79715. Bond Proceeds.

The proceeds of bonds issued and sold pursuant to this division shall be deposited in the Water Quality, Supply, and Infrastructure Improvement Fund of 2014, which is hereby created in the State Treasury.

### §79716. State Agency Success Reporting.

Each state agency that receives an appropriation of funding made available by this division shall be responsible for establishing metrics of success and reporting the status of projects and all uses of the funding on the state's bond accountability Internet Web site, as provided by statute.

## §79716.5. State Agency Responsibilities.

Each state agency that receives an appropriation of funding made available by this division shall do the following:

(a) Evaluate the outcomes of projects funded by this division.

(b) Include in the agency's reporting pursuant to Section 79716 the evaluation described in subdivision (a).

(c) Hold a grantee of funds accountable for completing projects funded by this division on time and within scope.

## CHAPTER 5. CLEAN, SAFE AND RELIABLE DRINKING WATER

## §79720. Funds for Drinking Water.

The sum of five hundred twenty million dollars (\$520,000,000) shall be available, upon appropriation by the Legislature from the fund, for expenditures, grants, and loans for projects that improve water quality or help provide clean, safe, and reliable drinking water to all Californians.

## §79721. General Eligibility Requirements.

The projects eligible for funding pursuant to this chapter shall help improve water quality for a beneficial use. The purposes of this chapter are to:

(a) Reduce contaminants in drinking water supplies regardless of the source of the water or the contamination.

(b) Assess and prioritize the risk of contamination to drinking water supplies.

(c) Address the critical and immediate needs of disadvantaged, rural, or small communities that suffer from contaminated drinking water supplies, including, but not limited to, projects that address a public health emergency.

(d) Leverage other private, federal, state, and local drinking water quality and wastewater treatment funds.

(e) Reduce contaminants in discharges to, and improve the quality of, waters of the state.

(f) Prevent further contamination of drinking water supplies.

(g) Provide disadvantaged communities with public drinking water infrastructure that provides clean, safe, and reliable drinking water supplies that the community can sustain over the long term.

(h) Ensure access to clean, safe, reliable, and affordable drinking water for California's communities.

(i) Meet primary and secondary safe drinking water standards or remove contaminants identified by the state or federal government for development of a primary or secondary drinking water standard.

## §79722. Contaminants.

The contaminants that may be addressed with funding pursuant to this chapter may include, but shall not be limited to, nitrates, perchlorate, MTBE (methyl tertiary butyl ether), arsenic, selenium, hexavalent chromium, mercury, PCE (perchloroethylene), TCE (trichloroethylene), DCE (dichloroethene), DCA (dichloroethane), 1,2,3-TCP (trichloropropane), carbon tetrachloride, 1,4-dioxane, 1,4-dioxacyclohexane, nitrosodimethylamine, bromide, iron, manganese, and uranium.

## §79723. Small Community Grant Funding.

Of the funds authorized by Section 79720, two hundred sixty million dollars (\$260,000,000) shall be available for deposit in the State Water Pollution Control Revolving Fund Small Community Grant Fund created pursuant to Section 13477.6 for grants for wastewater treatment projects. Priority shall be given to projects that serve disadvantaged communities and severely disadvantaged communities, and to projects that address public health hazards. Projects may include, but not be limited to, projects that identify, plan, design, and implement regional mechanisms to consolidate wastewater systems or provide affordable treatment technologies.

## <u>§79724. Use of Funds.</u>

(a)

(1) Of the funds authorized by Section 79720, two hundred sixty million dollars (\$260,000,000) shall be available for grants and loans for public water system infrastructure improvements and related actions to meet safe drinking water standards, ensure affordable drinking water, or both. Priority shall be given to projects that provide treatment for contamination or access to an alternate drinking water source or sources for small community water systems or state small water systems in disadvantaged communities whose drinking water source is impaired by chemical and nitrate contaminants and other health hazards identified by the state board. Eligible recipients serve disadvantaged communities and are public water systems or public agencies. The state board may make grants for the purpose of financing feasibility studies and to meet the eligibility requirements for a construction grant. Eligible expenses may include initial operation and maintenance costs for systems serving disadvantaged communities. Priority shall be given to projects that provide shared solutions for multiple communities, at least one of which is a disadvantaged community that lacks safe, affordable drinking water and is served by a small community water system, state small water system, or a private well. Construction grants shall be limited to five million dollars (\$5,000,000) per project, except that the state board may set a limit of not more than twenty million dollars (\$20,000,000) for projects that provide regional benefits or are shared among multiple entities, at least one of which shall be a small disadvantaged community. Not more than 25 percent of a grant may be awarded in advance of actual expenditures.

(2) For the purposes of this subdivision, "initial operation and maintenance costs" means those initial, eligible, and reimbursable costs under a construction funding agreement that are incurred up to, and including, initial startup testing of the constructed project in order to deem the project complete. Initial operation and maintenance costs are eligible to receive funding pursuant to this section for a period not to exceed two years.

(b) The administering entity may expend up to twenty-five million dollars (\$25,000,000) of the funds allocated in subdivision (a) for technical assistance to eligible communities.

(c) The state board shall deposit up to two million five hundred thousand dollars (\$2,500,000) of the funds available pursuant to this section into the Drinking Water Capital Reserve Fund, which is hereby created in the State Treasury. Moneys in the Drinking Water Capital Reserve Fund shall be available, upon appropriation by the Legislature, and shall be administered by the state board for the purpose of serving as matching funds for disadvantaged communities. The state board shall develop criteria to implement this subdivision.

### §79725. Disadvantaged Community Funding.

(a) For the purposes of awarding funding under this chapter, a local cost share of not less than 50 percent of the total costs of the project shall be required. The cost-sharing requirement may be waived or reduced for projects that directly benefit a disadvantaged community or an economically distressed area.

(b) At least 10 percent of the funds available pursuant to this chapter shall be allocated for projects serving severely disadvantaged communities.

(c) Up to 15 percent of the funds available pursuant to this chapter may be allocated for technical assistance to disadvantaged communities. The agency administering this funding shall operate a multidisciplinary technical assistance program for small and disadvantaged communities.

(d) Funding for planning activities, including technical assistance, to benefit disadvantaged communities may exceed 15 percent of the funds allocated, subject to the determination of the need for additional planning funding by the state agency administering the funding.

## §79726. Location of Funds.

For the purpose of providing the state share needed to leverage federal funds to assist communities in providing safe drinking water, any funds appropriated for the purposes of Section 79724 shall be available for deposit in the Safe Drinking Water State Revolving Fund, created by Section 116760.30 of the Health and Safety Code, prior to expenditure.

# CHAPTER 6. PROTECTING RIVERS, LAKES, STREAMS, COASTAL WATERS, AND WATERSHEDS

## §79730. Watershed Protection and Restoration Projects.

The sum of one billion four hundred ninety-five million dollars (\$1,495,000,000) shall be available, upon appropriation by the Legislature from the fund, in accordance with this chapter, for competitive grants for multibenefit ecosystem and watershed protection and restoration projects in accordance with statewide priorities.

## §79731. Allocation of Funds for Section 79730.

Of the funds authorized by Section 79730, the sum of three hundred twenty-seven million five hundred thousand dollars (\$327,500,000) shall be allocated for multibenefit water quality, water supply, and watershed protection and restoration projects for the watersheds of the state in accordance with the following schedule:

(a) Baldwin Hills Conservancy, ten million dollars (\$10,000,000).

(b) California Tahoe Conservancy, fifteen million dollars (\$15,000,000).

(c) Coachella Valley Mountains Conservancy, ten million dollars (\$10,000,000).

(d) Ocean Protection Council, thirty million dollars (\$30,000,000).

(e) San Diego River Conservancy, seventeen million dollars (\$17,000,000).

(f) San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, thirty million dollars (\$30,000,000).

(g) San Joaquin River Conservancy, ten million dollars (\$10,000,000).

(h) Santa Monica Mountains Conservancy, thirty million dollars (\$30,000,000).

(i) Sierra Nevada Conservancy, twenty-five million dollars (\$25,000,000).

(j) State Coastal Conservancy, one hundred million five hundred thousand dollars (\$100,500,000). Eligible watersheds for the funds allocated pursuant to this subdivision include, but are not limited to, those that are in the San Francisco Bay Conservancy region, the Santa Ana River watershed, the Tijuana River watershed, the Otay River watershed, Catalina Island, and the central coast region.

(k) Sacramento-San Joaquin Delta Conservancy, fifty million dollars (\$50,000,000).

## §79732. Protection and Restoration of CA Rivers, Lakes, Streams, and Watersheds.

(a) In protecting and restoring California rivers, lakes, streams, and watersheds, the purposes of this chapter are to:

(1) Protect and increase the economic benefits arising from healthy watersheds, fishery resources, and instream flow.

(2) Implement watershed adaptation projects in order to reduce the impacts of climate change on California's communities and ecosystems.

(3) Restore river parkways throughout the state, including, but not limited to, projects pursuant to the California River Parkways Act of 2004 (Chapter 3.8 (commencing with Section 5750) of Division 5 of the Public Resources Code), in the Urban Streams Restoration Program established pursuant to Section 7048, and urban river greenways.

(4) Protect and restore aquatic, wetland, and migratory bird ecosystems, including fish and wildlife corridors and the acquisition of water rights for instream flow.

(5) Fulfill the obligations of the State of California in complying with the terms of multiparty settlement agreements related to water resources.

(6) Remove barriers to fish passage.

(7) Collaborate with federal agencies in the protection of fish native to California and wetlands in the central valley of California.

(8) Implement fuel treatment projects to reduce wildfire risks, protect watersheds tributary to water storage facilities, and promote watershed health.

(9) Protect and restore rural and urban watershed health to improve watershed storage capacity, forest health, protection of life and property, stormwater resource management, and greenhouse gas reduction.

(10) Protect and restore coastal watersheds, including, but not limited to, bays, marine estuaries, and nearshore ecosystems.

(11) Reduce pollution or contamination of rivers, lakes, streams, or coastal waters, prevent and remediate mercury contamination from legacy mines, and protect or restore natural system functions that contribute to water supply, water quality, or flood management.

(12) Assist in the recovery of endangered, threatened, or migratory species by improving watershed health, instream flows, fish passage, coastal or inland wetland restoration, or other means, such as natural community conservation plan and habitat conservation plan implementation.

(13) Assist in water-related agricultural sustainability projects.

(b) Funds provided by this chapter shall only be used for projects that will provide fisheries or ecosystem benefits or improvements that are greater than required applicable environmental mitigation measures or compliance obligations.

### §79733. Wildlife Conservation Board Funding.

Of the funds made available by Section 79730, the sum of two hundred million dollars (\$200,000,000) shall be administered by the Wildlife Conservation Board for projects that result in enhanced stream flows.

## §79734. California Conservation Corps.

For restoration and ecosystem protection projects under this chapter, the services of the California Conservation Corps or a local conservation corps certified by the California Conservation Corps shall be used whenever feasible.

## §79735. Allocation of Funds.

(a) Of the funds authorized by Section 79730, one hundred million dollars (\$100,000,000) shall be available, upon appropriation by the Legislature, for projects to protect and enhance an urban creek, as defined in subdivision (e) of Section 7048, and its tributaries, pursuant to Division 22.8 (commencing with Section 32600) of, and Division 23 (commencing with Section 32000) of, the Public Resources Code and Section 79508.

(b)

(1) Of the funds authorized by Section 79730, twenty million dollars (\$20,000,000) shall be made available to the secretary for a competitive program to fund multibenefit watershed and urban rivers enhancement projects in urban watersheds that increase regional and local water self-sufficiency and that meet at least two of the following objectives:

(A) Promote groundwater recharge and water reuse.

(B) Reduce energy consumption.

(C) Use soils, plants, and natural processes to treat runoff.

(D) Create or restore native habitat.

(E) Increase regional and local resiliency and adaptability to climate change.

(2) The program under this subdivision shall be implemented by state conservancies, the Wildlife Conservation Board, the state board, or other entities whose jurisdiction includes urban watersheds, as designated by the secretary. Projects funded under the program shall be a part of a plan developed jointly by the conservancies, the Wildlife Conservation Board, the state board, or other designated entities in consultation with the secretary.

(c) At least 25 percent of the funds available pursuant to this section shall be allocated for projects that benefit disadvantaged communities.

(d) Up to 10 percent of the funds available pursuant to this section may be allocated for project planning.

### §79736. Allocation of Funds.

Of the funds authorized by Section 79730, four hundred seventy-five million dollars (\$475,000,000) shall be available to the Natural Resources Agency to support projects that fulfill the obligations of the State of California in complying with the terms of any of the following:

(a) Subsection (d) of Section 3406 of the Central Valley Project Improvement Act (Title 34 of Public Law 102-575).

(b) Interstate compacts set forth in Section 66801 of the Government Code pursuant to Title 7.42 (commencing with Section 66905) of the Government Code.

(c) Intrastate or multiparty water quantification settlement agreement provisions, including ecosystem restoration projects, as set forth in Chapters 611, 612, 613, and 614 of the Statutes of 2003.

(d) The settlement agreement referenced in Section 2080.2 of the Fish and Game Code.

(e) Any intrastate or multiparty settlement agreement related to water acted upon or before December 31, 2013. Priority shall be given to projects that meet one or more of the following criteria:

(1) The project is of statewide significance.

(2) The project restores natural aquatic or riparian functions, or wetlands habitat for birds and aquatic species.

(3) The project protects or promotes the restoration of endangered or threatened species.

(4) The project enhances the reliability of water supplies on a regional or interregional basis.

(5) The project provides significant regional or statewide economic benefits.

## §79737. Allocation of Funds.

(a) Of the funds authorized by Section 79730, two hundred eighty-five million dollars (\$285,000,000) shall be available to the Department of Fish and Wildlife for watershed restoration projects statewide in accordance with this chapter.

(b) For the purposes of this section, watershed restoration includes activities to fund coastal wetland habitat, improve forest health, restore mountain meadows, modernize stream crossings, culverts, and bridges, reconnect historical flood plains, install or improve fish screens, provide fish passages, restore river channels, restore or enhance riparian, aquatic, and terrestrial habitat, improve ecological functions, acquire from willing sellers conservation easements for riparian buffer strips, improve local watershed management, and remove sediment or trash.

(c) For any funds available pursuant to this section that are used to provide grants under the Fisheries Restoration Grant Program, a priority shall be given to coastal waters.

(d) In allocating funds for projects pursuant to this section, the Department of Fish and Wildlife shall only make funds available for water quality, river, and watershed protection and restoration projects of statewide importance outside of the Delta.

(e) Funds provided by this section shall not be expended to pay the costs of the design, construction, operation, mitigation, or maintenance of Delta conveyance facilities.

(f) Funds provided by this section shall only be used for projects that will provide fisheries or ecosystem benefits or improvements that are greater than required applicable environmental mitigation measures or compliance obligations, except for any water transfers for the benefit of subsection (d) of Section 3406 of the Central Valley Project Improvement Act (Title 34 of Public Law 102-575).

(g) In order to address the unique ecological, flood control, water quality, and hydrological conditions associated with urban creeks and watersheds on the California-Mexico border, the department shall consult with the California-Mexico Border Relations Council to establish criteria to fund projects that improve conditions for cross-border urban creeks and watersheds.

#### §79738. Allocation of Funds.

(a) Of the funds authorized by Section 79730, eighty-seven million five hundred thousand dollars (\$87,500,000) shall be available to the Department of Fish and Wildlife for water quality, ecosystem restoration, and fish protection facilities that benefit the Delta, including, but not limited to, the following:

(1) Projects to improve water quality or that contribute to the improvement of water quality in the Delta, including projects in Delta counties that provide multiple public benefits and improve drinking and agricultural water quality or water supplies.

(2) Habitat restoration, conservation, and enhancement projects to improve the condition of special status, at risk, endangered, or threatened species in the Delta and the Delta counties, including projects to eradicate invasive species, and projects that support the beneficial reuse of dredged material for habitat restoration and levee improvements.

(3) Scientific studies and assessments that support the Delta Science Program, as described in Section 85280, or projects under this section.

(b) In implementing this section, the department shall coordinate and consult with the Delta city or Delta county in which a grant is proposed to be expended or an interest in real property is proposed to be acquired.

(c) Acquisitions pursuant to this section shall be from willing sellers only.

(d) In implementing this section state agencies shall prioritize wildlife conservation objectives through projects on public lands or voluntary projects on private lands, to the extent feasible.

(e) Funds available pursuant to this section shall not be used to acquire land via eminent domain.

(f) Funds available pursuant to this section shall not be expended to pay the costs of the design, construction, operation, mitigation, or maintenance of Delta conveyance facilities.

## CHAPTER 7. REGIONAL WATER SECURITY, CLIMATE, AND DROUGHT PREPAREDNESS

#### §79740. Funds for Regional Water Management and Climate Change and Water Security.

The sum of eight hundred ten million dollars (\$810,000,000) shall be available, upon appropriation by the Legislature from the fund, for expenditures on, and competitive grants and loans to, projects that are included in and implemented in an adopted integrated regional water management plan consistent with Part 2.2 (commencing with Section 10530) of Division 6 and respond to climate change and contribute to regional water security as provided in this chapter.

### §79741. Chapter Purpose.

In order to improve regional water self-reliance security and adapt to the effects on water supply arising out of climate change, the purposes of this chapter are to:

(a) Help water infrastructure systems adapt to climate change, including, but not limited to, sea level rise.

(b) Provide incentives for water agencies throughout each watershed to collaborate in managing the region's water resources and setting regional priorities for water infrastructure.

(c) Improve regional water self-reliance consistent with Section 85021.

### §79742. General Mandates.

a) In selecting among proposed projects in a watershed, the scope of the adopted integrated regional water management plan may be considered by the administering state agency, with priority going to projects in plans that cover a greater portion of the watershed. If a plan covers substantially all of the watershed, the plan's project priorities shall be given deference if the project and plan otherwise meet the requirements of this division and the Integrated Regional Water Management Planning Act (Part 2.2 (commencing with Section 10530) of Division 6).

(b) A local agency that does not prepare, adopt, and submit its groundwater plan in accordance with groundwater planning requirements established under Division 6 (commencing with Section 10000) is ineligible to apply for funds made available pursuant to this chapter until the plan is prepared and submitted in accordance with the requirements of that part. The groundwater management plan requirement shall not apply to a water replenishment district formed pursuant to Division 18 (commencing with Section 60000) or to a local agency that serves or has authority to manage an adjudicated groundwater basin.

(c) For the purposes of awarding funding under this chapter, a cost share from nonstate sources of not less than 50 percent of the total costs of the project shall be required. The cost-sharing requirement may be waived or reduced for projects that directly benefit a disadvantaged community or an economically distressed area.

(d) Not less than 10 percent of the funds authorized by this chapter shall be allocated to projects that directly benefit disadvantaged communities.

(e) For the purposes of awarding funding under this chapter, the applicant shall demonstrate that the integrated regional water management plan the applicant's project implements contributes to addressing the risks in the region to water supply and water infrastructure arising from climate change.

(f) Projects that achieve multiple benefits shall receive special consideration.

### §79743. Project Eligibility.

Subject to the determination of regional priorities in the regional water management group, eligible projects may include, but are not limited to, projects that promote any of the following:

(a) Water reuse and recycling for nonpotable reuse and direct and indirect potable reuse.

(b) Water-use efficiency and water conservation.

(c) Local and regional surface and underground water storage, including groundwater aquifer cleanup or recharge projects.

(d) Regional water conveyance facilities that improve integration of separate water systems.

(e) Watershed protection, restoration, and management projects, including projects that reduce the risk of wildfire or improve water supply reliability.

(f) Stormwater resource management, including, but not limited to, the following:

(1) Projects to reduce, manage, treat, or capture rainwater or stormwater.

(2) Projects that provide multiple benefits such as water quality, water supply, flood control, or open space.

(3) Decision support tools that evaluate the benefits and costs of multibenefit stormwater projects.

(4) Projects to implement a stormwater resource plan developed in accordance with Part 2.3 (commencing with Section 10560) of Division 6.

(g) Conjunctive use of surface and groundwater storage facilities.

(h) Water desalination projects.

(i) Decision support tools to model regional water management strategies to account for climate change and other changes in regional demand and supply projections.

(j) Improvement of water quality, including drinking water treatment and distribution, groundwater and aquifer remediation, matching water quality to water use, wastewater treatment, water pollution prevention, and management of urban and agricultural runoff.

## §79744. Regional Funding Allocation.

(a) Of the funds authorized by Section 79740, five hundred ten million dollars (\$510,000,000) shall be allocated to the hydrologic regions as identified in the California Water Plan in accordance with this section. For the South Coast hydrologic region, the department shall establish three funding areas that reflect the watersheds of San Diego County and southern Orange County (designated as the San Diego subregion), the Santa Ana River watershed (designated as the Santa Ana subregion), and the Los Angeles and Ventura County watersheds (designated as the Los Angeles subregion), and shall allocate funds to those areas in accordance with this subdivision. The North and South Lahontan hydrologic regions shall be treated as one area for the purpose of allocating funds. For purposes of this subdivision, the Sacramento River hydrologic region does not include the Delta. For purposes of this subdivision, the Mountain Counties Overlay is not eligible for funds from the Sacramento River hydrologic region or the San Joaquin River hydrologic region. Multiple integrated regional water management plans may be recognized in each of the areas allocated funding.

(b) Funds made available by this chapter shall be allocated as follows:

(1) Twenty-six million five hundred thousand dollars (\$26,500,000) for the North Coast hydrologic region.

(2) Sixty-five million dollars (\$65,000,000) for the San Francisco Bay hydrologic region.

(3) Forty-three million dollars (\$43,000,000) for the Central Coast hydrologic region.

(4) Ninety-eight million dollars (\$98,000,000) for the Los Angeles subregion.

(5) Sixty-three million dollars (\$63,000,000) for the Santa Ana subregion.

(6) Fifty-two million five hundred thousand dollars (\$52,500,000) for the San Diego subregion.

(7) Thirty-seven million dollars (\$37,000,000) for the Sacramento River hydrologic region.

(8) Thirty-one million dollars (\$31,000,000) for the San Joaquin River hydrologic region.

(9) Thirty-four million dollars (\$34,000,000) for the Tulare/Kern hydrologic region.

(10) Twenty-four million five hundred thousand dollars (\$24,500,000) for the North/South Lahontan hydrologic region.

(11) Twenty-two million five hundred thousand dollars (\$22,500,000) for the Colorado River Basin hydrologic region.

(12) Thirteen million dollars (\$13,000,000) for the Mountain Counties Overlay.

## <u>§79745. DWR Expenditures.</u>

The Department of Water Resources shall expend, either directly or for noncompetitive grants, no less than 10 percent of the funds from the regional allocations specified in Section 79744 for the purposes of ensuring involvement of disadvantaged communities, economically distressed areas, or underrepresented communities within regions.

## §79746. Funding Allocation.

(a) Of the funds authorized by Section 79740, the sum of one hundred million dollars (\$100,000,000) may be used for direct expenditures, and for grants and loans, for the following water conservation and water-use efficiency plans, projects, and programs:

(1) Urban water conservation plans, projects, and programs, including regional projects and programs, implemented to achieve urban water use targets developed pursuant to Section 10608.20. Priority for funding shall be given to programs that do any of the following:

(A) Assist water suppliers and regions to implement conservation programs and measures that are not locally cost effective.

(B) Support water supplier and regional efforts to implement programs targeted to enhance water-use efficiency for commercial, industrial, and institutional water users.

(C) Assist water suppliers and regions with programs and measures targeted toward realizing the conservation benefits of implementation of the provisions of the state landscape model ordinance.

(2) Agricultural water management plans or agricultural water use efficiency projects and programs developed pursuant to Part 2.8 (commencing with Section 10800) of Division 6.

(b) Section 1011 applies to all conservation measures that an agricultural water supplier or an urban water supplier implements with funding under this chapter. This subdivision does not limit the application of Section 1011 to any other measures or projects implemented by a water supplier. Notwithstanding Section 79748, the projects funded pursuant to this section are not required to be in an adopted integrated regional water management plan or to comply with that program.

## §79747. Stormwater Funding.

(a) Of the funds authorized by Section 79740, two hundred million dollars (\$200,000,000) shall be available for grants for multibenefit stormwater management projects.

(b) Eligible projects may include, but shall not be limited to, green infrastructure, rainwater and stormwater capture projects, and stormwater treatment facilities.

(c) Development of plans for stormwater projects shall address the entire watershed and incorporate the perspectives of communities adjacent to the affected waterways, especially disadvantaged communities.

## §79748. Groundwater Management Project Funding General Mandate.

In order to receive funding authorized by this chapter to address groundwater quality or supply in an aquifer, the applicant shall demonstrate that a public agency has authority to manage the water resources in that aquifer. A groundwater management plan adopted and submitted in accordance with groundwater management planning requirements established under Division 6 (commencing with Section 10000) shall be deemed sufficient to satisfy the requirements of this section.

# CHAPTER 8. STATEWIDE WATER SYSTEM OPERATIONAL IMPROVEMENT AND DROUGHT PREPAREDNESS

## §79750. California Water Commission.

(a) Notwithstanding Section 162, the commission may make the determinations, findings, and recommendations required of it by this chapter independent of the views of the director. All final actions by the commission in implementing this chapter shall be taken by a majority of the members of the commission at a public meeting noticed and held pursuant to the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code).

(b) Notwithstanding Section 13340 of the Government Code, the sum of two billion seven hundred million dollars (\$2,700,000,000) is hereby continuously appropriated from the fund, without regard to fiscal years, to the commission for public benefits associated with water storage projects that improve the operation of the state water system, are cost effective, and provide a net improvement in ecosystem and water quality conditions, in accordance with this chapter. Funds authorized for, or made available to, the commission pursuant to this chapter shall be available and expended only for the purposes provided in this chapter, and shall not be subject to appropriation or transfer by the Legislature or the Governor for any other purpose.

(c) Projects shall be selected by the commission through a competitive public process that ranks potential projects based on the expected return for public investment as measured by the magnitude of the public benefits provided, pursuant to criteria established under this chapter.

(d) Any project constructed with funds provided by this chapter shall be subject to Section 11590.

### §79751. General Eligibility.

Projects for which the public benefits are eligible for funding under this chapter consist of only the following:

(a) Surface storage projects identified in the CALFED Bay-Delta Program Record of Decision, dated August 28, 2000, except for projects prohibited by Chapter 1.4 (commencing with Section 5093.50) of Division 5 of the Public Resources Code.

(b) Groundwater storage projects and groundwater contamination prevention or remediation projects that provide water storage benefits.

(c) Conjunctive use and reservoir reoperation projects.

(d) Local and regional surface storage projects that improve the operation of water systems in the state and provide public benefits.

## §79752. Projects Subject to Delta Improvements.

A project shall not be funded pursuant to this chapter unless it provides measurable improvements to the Delta ecosystem or to the tributaries to the Delta.

## §79753. Funding Allocation.

(a) Funds allocated pursuant to this chapter may be expended solely for the following public benefits associated with water storage projects:

(1) Ecosystem improvements, including changing the timing of water diversions, improvement in flow conditions, temperature, or other benefits that contribute to restoration of aquatic ecosystems and native fish and wildlife, including those ecosystems and fish and wildlife in the Delta.

(2) Water quality improvements in the Delta, or in other river systems, that provide significant public trust resources, or that clean up and restore groundwater resources.

(3) Flood control benefits, including, but not limited to, increases in flood reservation space in existing reservoirs by exchange for existing or increased water storage capacity in response to the effects of changing hydrology and decreasing snow pack on California's water and flood management system.

(4) Emergency response, including, but not limited to, securing emergency water supplies and flows for dilution and salinity repulsion following a natural disaster or act of terrorism.

(5) Recreational purposes, including, but not limited to, those recreational pursuits generally associated with the outdoors.

(b) Funds shall not be expended pursuant to this chapter for the costs of environmental mitigation measures or compliance obligations except for those associated with providing the public benefits as described in this section.

## §79754. Commission to Adopt Regulations.

In consultation with the Department of Fish and Wildlife, the state board, and the Department of Water Resources, the commission shall develop and adopt, by regulation, methods for quantification and management of public benefits described in Section 79753 by December 15, 2016. The regulations shall include the priorities and relative environmental value of ecosystem benefits as provided by the Department of Fish and Wildlife and the priorities and relative environmental value of water quality benefits as provided by the state board.

## §79755. Conditions for Funds.

(a) Except as provided in subdivision (c), no funds allocated pursuant to this chapter may be allocated for a project before December 15, 2016, and until the commission approves the project based on the commission's determination that all of the following have occurred:

(1) The commission has adopted the regulations specified in Section 79754 and specifically quantified and made public the cost of the public benefits associated with the project.

(2) The project applicant has entered into a contract with each party that will derive benefits, other than public benefits, as defined in Section 79753, from the project that ensures the party will pay its share of the total costs of the project. The benefits available to a party shall be consistent with that party's share of total project costs.

(3) The project applicant has entered into a contract with each public agency identified in Section 79754 that administers the public benefits, after that agency makes a finding that the public benefits of the project for which that agency is responsible meet all the requirements of this chapter, to ensure that the public contribution of funds pursuant to this chapter achieves the public benefits identified for the project.

(4) The commission has held a public hearing for the purposes of providing an opportunity for the public to review and comment on the information required to be prepared pursuant to this subdivision.

(5) All of the following additional conditions are met:

(A) Feasibility studies have been completed.

(B) The commission has found and determined that the project is feasible, is consistent with all applicable laws and regulations, and will advance the long-term objectives of restoring ecological health and improving water management for beneficial uses of the Delta.

(C) All environmental documentation associated with the project has been completed, and all other federal, state, and local approvals, certifications, and agreements required to be completed have been obtained.

(b) The commission shall submit to the Legislature its findings for each of the criteria identified in subdivision (a) for a project funded pursuant to this chapter.

(c) Notwithstanding subdivision (a), funds may be made available under this chapter for the completion of environmental documentation and permitting of a project.

#### §79756. Public Benefit Allocation.

(a) The public benefit cost share of a project funded pursuant to this chapter, other than a project described in subdivision (c) of Section 79751, shall not exceed 50 percent of the total costs of any project funded under this chapter.

(b) No project may be funded unless it provides ecosystem improvements as described in paragraph (1) of subdivision (a) of Section 79753 that are at least 50 percent of total public benefits of the project funded under this chapter.

#### §79757. Eligibility Mandates.

(a) A project is not eligible for funding under this chapter unless, by January 1, 2022, all of the following conditions are met:

(1) All feasibility studies are complete and draft environmental documentation is available for public review.

(2) The commission makes a finding that the project is feasible, and will advance the long-term objectives of restoring ecological health and improving water management for beneficial uses of the Delta.

(3) The director receives commitments for not less than 75 percent of the nonpublic benefit cost share of the project.

(b) If compliance with subdivision (a) is delayed by litigation or failure to promulgate regulations, the date in subdivision (a) shall be extended by the commission for a time period that is equal to the time period of the delay, and funding under this chapter that has been dedicated to the project shall be encumbered until the time at which the litigation is completed or the regulations have been promulgated.

#### <u>§79758. Surface Storage Projects – Central Valley Project.</u>

Surface storage projects funded pursuant to this chapter and described in subdivision (a) of Section 79751 may be made a unit of the Central Valley Project as provided in Section 11290 and may be financed, acquired, constructed, operated, and maintained pursuant to Part 3 (commencing with Section 11100) of Division 6.

### §79759. Surface Water Storage Projects.

(a) The funds allocated for the design, acquisition, and construction of surface storage projects identified in the CALFED Bay-Delta Record of Decision, dated August 28, 2000, pursuant to this chapter may be provided for those purposes to local joint powers authorities formed by irrigation districts and other local water districts and local governments within the applicable hydrologic region to design, acquire, and construct those projects.

(b) The joint powers authorities described in subdivision (a) may include in their membership governmental partners that are not located within their respective hydrologic regions in financing the surface storage projects, including, as appropriate, cost share participation or equity participation. Notwithstanding Section 6525 of the Government Code, the joint powers agencies described in subdivision (a) shall not include in their membership any for-profit corporation or any mutual water company whose shareholders and members include a for-profit corporation or any other private entity. The department shall be an ex officio member of each joint powers authority subject to this section, but the department shall not control the governance, management, or operation of the surface water storage projects.

(c) A joint powers authority subject to this section shall own, govern, manage, and operate a surface water storage project, subject to the requirement that the ownership, governance, management, and operation of the surface water storage project shall advance the purposes set forth in this chapter.

## §79760. Water Quality, Supply, and Infrastructure Improvement Act of 2014 Declaration.

(a) In approving the Water Quality, Supply, and Infrastructure Improvement Act of 2014, the people were informed and hereby declare that the provisions of this chapter are necessary, integral, and essential to meeting the single object or work of the Water Quality, Supply, and Infrastructure Improvement Act of 2014. As such, any amendment of the provisions of this chapter by the Legislature without voter approval would frustrate the scheme and design that induced voter approval of this act. The people therefore find and declare that any amendment of the provisions of this chapter by the Legislature shall require an affirmative vote of two-thirds of the membership in each house of the Legislature and voter approval.

(b) This section shall not govern or be used as authority for determining whether the amendment of any other provision of this act not contained in this chapter would constitute a substantial change in the scheme and design of this act requiring voter approval.

## CHAPTER 9. WATER RECYCLING §79765. Water Recycling Funding.

The sum of seven hundred twenty-five million dollars (\$725,000,000) shall be available, upon appropriation by the Legislature from the fund, for grants or loans for water recycling and advanced treatment technology projects, including all of the following:

(a) Water recycling projects, including, but not limited to, treatment, storage, conveyance, and distribution facilities for potable and nonpotable recycling projects.

(b) Contaminant and salt removal projects, including, but not limited to, groundwater and seawater desalination and associated treatment, storage, conveyance, and distribution facilities.

(c) Dedicated distribution infrastructure to serve residential, commercial, agricultural, and industrial end-user retrofit projects to allow use of recycled water.

(d) Pilot projects for new potable reuse and other salt and contaminant removal technology.

- (e) Multibenefit recycled water projects that improve water quality.
- (f) Technical assistance and grant writing assistance for disadvantaged communities.

## §79766. Cost Share Requirements.

At least a 50-percent local cost share shall be required for projects funded pursuant to this chapter. That cost share may be suspended or reduced for disadvantaged communities and economically distressed areas.

## §79767. Project Selection Criteria.

Projects funded pursuant to this chapter shall be selected on a competitive basis, considering all of the following criteria:

(a) Water supply reliability improvement.

(b) Water quality and ecosystem benefits related to decreased reliance on diversions from the Delta or instream flows.

- (c) Public health benefits from improved drinking water quality or supply.
- (d) Cost-effectiveness.
- (e) Energy efficiency and greenhouse gas emission impacts.

(f) Reasonable geographic allocation to eligible projects throughout the state, including both northern and southern California and coastal and inland regions.

## §79768. Competitive Program Implementation.

For purposes of this chapter, competitive programs shall be implemented consistent with water recycling programs administered pursuant to Sections 79140 and 79141 or consistent with desalination programs administered pursuant to Sections 79545 and 79547.2.

## CHAPTER 10. GROUNDWATER SUSTAINABILITY

## §79770. Groundwater Contamination Prevention and Clean-up.

Prevention and cleanup of groundwater contamination are critical components of successful groundwater management. Groundwater quality becomes especially important as water providers do the following:

(a) Evaluate investments in groundwater recharge with surface water, stormwater, recycled water, and other conjunctive use projects that augment local groundwater supplies to improve regional water self-reliance.

(b) Adapt to changing hydrologic conditions brought on by climate change.

(c) Consider developing groundwater basins to provide much needed local storage options to accommodate hydrologic and regulatory variability in the state's water delivery system.

(d) Evaluate investments in groundwater recovery projects.

## §79771. Funding Allocation and Project Prioritization.

(a) The sum of nine hundred million dollars (\$900,000,000) shall be available, upon appropriation by the Legislature from the fund, for expenditures on, and competitive grants, and loans for, projects to prevent or clean up the contamination of groundwater that serves or has served as a source of drinking water. Funds appropriated pursuant to this section shall be available to the state board for projects necessary to protect public health by preventing or reducing the contamination of groundwater that serves or has served as a major source of drinking water for a community.

(b) Projects shall be prioritized based upon the following criteria:

(1) The threat posed by groundwater contamination to the affected community's overall drinking water supplies, including an urgent need for treatment of alternative supplies or increased water imports if groundwater is not available due to contamination.

(2) The potential for groundwater contamination to spread and impair drinking water supply and water storage for nearby population areas.

(3) The potential of the project, if fully implemented, to enhance local water supply reliability.

(4) The potential of the project to maximize opportunities to recharge vulnerable, highuse groundwater basins and optimize groundwater supplies.

(5) The project addresses contamination at a site for which the courts or the appropriate regulatory authority has not yet identified responsible parties, or where the identified responsible parties are unwilling or unable to pay for the total cost of cleanup, including water supply reliability improvement for critical urban water supplies in designated superfund areas with groundwater contamination listed on the National Priorities List established pursuant to Section 105(a)(8)(B) of the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. Sec. 9605(a)(8)(B)).

(c) Funding authorized by this chapter shall not be used to pay any share of the costs of remediation recovered from parties responsible for the contamination of a groundwater storage aquifer, but may be used to pay costs that cannot be recovered from responsible parties. Parties that receive funding for remediating groundwater storage aquifers shall exercise reasonable efforts to recover the costs of groundwater cleanup from the parties responsible for the contamination. Funds recovered from responsible parties may only be used to fund treatment and remediation activities.

### §79772. Funds for GW Used as a Source of Drinking Water.

Of the funds authorized by Section 79771, eighty million dollars (\$80,000,000) shall be available for grants for treatment and remediation activities that prevent or reduce the contamination of groundwater that serves as a source of drinking water.

## §79773. Contaminants.

The contaminants that may be addressed with funding pursuant to this chapter may include, but shall not be limited to, nitrates, perchlorate, MTBE (methyl tertiary butyl ether), arsenic, selenium, hexavalent chromium, mercury, PCE (perchloroethylene), TCE (trichloroethylene), DCE (dichloroethene), DCA (dichloroethane), 1,2,3-TCP (trichloropropane), carbon tetrachloride, 1,4-dioxane, 1,4-dioxacyclohexane, nitrosodimethylamine, bromide, iron, manganese, and uranium.

## §79774. Funding - General.

(a) A project that receives funding pursuant to this chapter shall be selected by a competitive grant or loan process with added consideration for those projects that leverage private, federal, or local funding.

(b) For the purposes of awarding funding under this chapter, a local cost share of not less than 50 percent of the total costs of the project shall be required. The cost-sharing requirement may be waived or reduced for projects that directly benefit a disadvantaged community or an economically distressed area.

(c) An agency administering grants or loans for the purposes of this chapter shall assess the capacity of a community to pay for the operation and maintenance of the facility to be funded.

(d) At least 10 percent of the funds available pursuant to this chapter shall be allocated for projects serving severely disadvantaged communities.

(e) Funding authorized by this chapter shall include funding for technical assistance to disadvantaged communities. The agency administering this funding shall operate a multidisciplinary technical assistance program for small and disadvantaged communities.

## §79775. Funding Allocation.

Of the funds authorized by Section 79771, one hundred million dollars (\$100,000,000) shall be made available for competitive grants for projects that develop and implement groundwater plans and projects in accordance with groundwater planning requirements established under Division 6 (commencing with Section 10000).

## CHAPTER 11. FLOOD MANAGEMENT

**§79780. Flood Management Allocation.** 

The sum of three hundred ninety-five million dollars (\$395,000,000) shall be available, upon appropriation by the Legislature from the fund, to the Department of Water Resources and the Central Valley Flood Protection Board for the purpose of statewide flood management projects and activities. Funds shall be allocated to multibenefit projects that achieve public safety and include fish and wildlife habitat enhancement. The Department of Water Resources shall make its best effort to coordinate this funding with proceeds from Propositions 84 and 1E.

#### §79781. Delta Flood and Levee Failure Risk Allocation.

Of the funds authorized by Section 79780, two hundred ninety-five million dollars (\$295,000,000) shall be available to reduce the risk of levee failure and flood in the Delta for any of the following:

(a) Local assistance under the Delta levee maintenance subventions program pursuant to Part 9 (commencing with Section 12980) of Division 6, as that part may be amended.

(b) Special flood protection projects pursuant to Chapter 2 (commencing with Section 12310) of Part 4.8 of Division 6, as that chapter may be amended.

(c) Levee improvement projects that increase the resiliency of levees within the Delta to withstand earthquake, flooding, or sea level rise.

(d) Emergency response and repair projects.

# CHAPTER 12. FISCAL PROVISIONS §79785. Bonds.

(a) Bonds in the total amount of seven billion one hundred twenty million dollars (\$7,120,000,000), and any additional bonds authorized, issued, and appropriated in accordance with this division pursuant to other provisions of law, or so much thereof as is necessary, not including the amount of any refunding bonds issued in accordance with Section 79797 may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this division and to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds, when sold, shall be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal of, and interest on, the bonds as the principal and interest become due and payable.

(b) The Treasurer shall sell the bonds authorized by the committee pursuant to this section. The bonds shall be sold upon the terms and conditions specified in a resolution to be adopted by the committee pursuant to Section 16731 of the Government Code.

#### §79786. Bonds.

The bonds authorized by this division shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), and all of the provisions of that law, as that law may be amended, apply to the bonds and to this division, except subdivisions (a) and (b) of Section 16727 of the Government Code to the extent that those subdivisions conflict with any other provision of this division.

#### §79787. Committee Structure.

(a) Solely for the purpose of authorizing the issuance and sale pursuant to the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code) of the bonds authorized by this division, the Water Quality, Supply, and Infrastructure Improvement Finance Committee is hereby created. For purposes of this division, the Water Quality, Supply, and Infrastructure Improvement Finance Committee is the "committee" as that term is used in the State General Obligation Bond Law.

(b) The committee consists of the Director of Finance, the Treasurer, and the Controller. Notwithstanding any other provision of law, any member may designate a representative to act as that member in his or her place for all purposes, as though the member were personally present.

(c) The Treasurer shall serve as chairperson of the committee.

(d) A majority of the committee may act for the committee.

# §79788. Committee General Mandate.

The committee shall determine whether or not it is necessary or desirable to issue bonds authorized by this division in order to carry out the actions specified in this division and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.

#### §79789. Board Meaning.

For purposes of the State General Obligation Bond Law, "board," as defined in Section 16722 of the Government Code, means the secretary.

# §79790. Officer Duties.

There shall be collected each year and in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds each year. It is the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act that is necessary to collect that additional sum.

# §79791. General Fund Appropriation.

Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the State Treasury, for the purposes of this division, an amount that will equal the total of the following:

(a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this division, as the principal and interest become due and payable.

(b) The sum that is necessary to carry out the provisions of Section 79794, appropriated without regard to fiscal years.

# §79792. Pooled Money Investment Account.

The board may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account in accordance with Section 16312 of the Government Code for the purpose of carrying out this division less any amount withdrawn pursuant to Section 79794. The amount of the request shall not exceed the amount of the unsold bonds that the committee has, by resolution, authorized to be sold for the purpose of carrying out this division. The board shall execute those documents required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the fund to be allocated in accordance with this division.

# §79793. Tax Exempt Options.

Notwithstanding any other provision of this division, or of the State General Obligation Bond Law, if the Treasurer sells bonds that include a bond counsel opinion to the effect that the interest on the bonds is excluded from gross income for federal tax purposes under designated conditions or is otherwise entitled to any federal tax advantage, the Treasurer may maintain separate accounts for the bond proceeds invested and for the investment earnings on those proceeds, and may use or direct the use of those proceeds or earnings to pay any rebate, penalty, or other payment required under federal law or take any other action with respect to the investment and use of those bond proceeds, as may be required or desirable under federal law in order to maintain the tax-exempt status of those bonds and to obtain any other advantage under federal law on behalf of the funds of this state.

# §79794. General Fund Withdrawls.

For the purposes of carrying out this division, the Director of Finance may authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds that have been authorized by the committee to be sold for the purpose of carrying out this division less any amount borrowed pursuant to Section 79792. Any amounts withdrawn shall be deposited in the fund. Any moneys made available under this section shall be returned to the General Fund, with interest at the rate earned by the moneys in the Pooled Money Investment Account, from proceeds received from the sale of bonds for the purpose of carrying out this division.

#### §79795. Interest on Bonds.

All moneys deposited in the fund that are derived from premium and accrued interest on bonds sold pursuant to this division shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest, except that amounts derived from premium may be reserved and used to pay the cost of bond issuance prior to any transfer to the General Fund.

#### §79796. Bond Issuance.

Pursuant to Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code, the cost of bond issuance shall be paid out of the bond proceeds, including premium, if any. To the extent the cost of bond issuance is not paid from premiums received from the sale of bonds, these costs shall be shared proportionately by each program funded through this division by the applicable bond sale.

# §79797. Bonds Issued to Refund Bonds.

The bonds issued and sold pursuant to this division may be refunded in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code, which is a part of the State General Obligation Bond Law. Approval by the voters of the state for the issuance of the bonds under this division shall include approval of the issuance of any bonds issued to refund any bonds originally issued under this division or any previously issued refunding bonds.

# §79798. Sale of Bonds not Proceeds of Taxes.

The proceeds from the sale of bonds authorized by this division are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, and the disbursement of these proceeds is not subject to the limitations imposed by that article.

#### DIVISION 33. INTEGRATED WATER SUPPLY AND FLOOD PROTECTION PLANNING, DESIGN, AND IMPLEMENTATION <u>§83000. Legislative findings and declarations.</u>

The Legislature hereby finds and declares all of the following:

(a) Water is vital to the economy, environment, and overall well-being of the state.

(b) California faces increasing challenges in managing its water supply due to climate change, uncertainty regarding the availability of water from the Sacramento-San Joaquin Delta and other sources, an increasing state population, limitations on public funds, and other factors.

(c) California must adopt a new, updated, and comprehensive set of water planning, design, and implementation policies that reflect these realities to protect its water supply future.

(d) In the past, state laws, funding schemes, and administrative actions have treated the planning, construction, and operation of water supply, groundwater, and flood control systems as separate and distinct activities, thereby reducing efficiency and water supply reliability.

(e) California has not taken full advantage of the cost savings, the environmental benefits, or the expediency of more efficient operations and usage of existing water supply, storage, and flood protection facilities.

(f) It is the policy of the state to more effectively integrate its flood protection systems with its water supply and conveyance systems in order to conserve limited public dollars, increase the available water supply, improve water quality, increase wildlife and ecosystem protections, protect public health and safety, and address the effects of climate change.

(g) The purpose of this division is to require the integration of flood protection and water systems to achieve multiple public benefits, including all of the following:

(1) Increasing water supply reliability in the least costly, most efficient, and most reliable manner to meet current and future state needs.

(2) Increasing use of water use efficiency and water conservation measures to increase and extend existing water supplies.

(3) Reducing energy consumption associated with water transport, thereby reducing state greenhouse gas emissions.

(4) Improving water management to protect and restore ecosystems and wildlife habitat.

#### §83001. Legislative intent.

In order to provide the least costly, most efficient, and reliable water supply to a growing state, it is the intent of the Legislature that the department accomplish the following objectives:

(a) Integrate state flood protection and water supply systems.

(b) Promote conjunctive use of groundwater storage capacity to improve overall water supply and flood system operation.

(c) Promote increased water use efficiency through expanded use of water conservation, water recycling, and improvements in technology.

#### §83002. Appropriation of funds.

The sum of eight hundred twenty million nine hundred seventy-three thousand dollars (\$820,973,000) is hereby appropriated in accordance with the following schedule:

(a) Of the funds made available pursuant to Chapter 1.699 (commencing with Section 5096.800) of Division 5 of the Public Resources Code, the sum of two hundred eighty-five million dollars (\$285,000,000) is hereby appropriated as follows:

(1) Pursuant to subdivision (c) of Section 5096.821 of the Public Resources Code, the sum of one hundred thirty-five million dollars (\$135,000,000) to the department for the acquisition, design, and construction of essential emergency preparedness supplies and projects. Prior to the design or construction of any project funded pursuant to this paragraph, the California Bay-Delta Authority, or its successor, shall approve the specific project or program. Preference shall be given to projects that protect and improve Delta water quality and drinking water supplies. Of the amount made available pursuant to this paragraph, not less than thirty-five million dollars (\$35,000,000) shall be expended by the department for projects to reinforce those sections of the levees that have the highest potential to suffer breaches or failure and cause harm to flood damage, including the installation of scour protection on the supports of the aqueducts in those areas located adjacent to the sections of the levees that have been identified as the highest risk of breaches or failure.

(2) Pursuant to Section 5096.827 of the Public Resources Code, the sum of one hundred fifty million dollars (\$150,000,000) to the department for grants for stormwater flood management projects that reduce flood damage and provide other benefits, including groundwater recharge, water quality improvement, and ecosystem restoration. Not less than one hundred million dollars (\$100,000,000) of this amount shall be available for projects that address immediate public health and safety needs, strengthen existing flood control facilities to address seismic safety issues. Twenty million dollars (\$20,000,000) shall be available for local agencies to meet immediate water quality needs related to combined municipal sewer and stormwater systems to prevent sewage discharges into state waters. Twenty million dollars (\$20,000,000) shall be available for urban stream stormwater flood management projects to reduce the frequency and impacts of flooding in watersheds that drain to the San Francisco Bay.

(b) Of the funds made available pursuant to Division 43 (commencing with Section 75001) of the Public Resources Code, the sum of five hundred twenty-six million four hundred ninety-one thousand dollars (\$526,491,000) is hereby appropriated as follows:

(1) Pursuant to Section 75022 of the Public Resources Code, the sum of fifty million dollars (\$50,000,000) to the State Department of Public Health for grants for small community drinking water system infrastructure improvements and related action to meet safe drinking water standards. First priority for these funds shall be given to disadvantaged or severely disadvantaged communities lacking resources to provide safe drinking water to residents. Small community drinking water systems that are dependent on surface water and are under orders from the State Department of Public Health to boil water from existing treatment systems for parasites, viruses, or giardia shall be eligible for grants for drinking water system infrastructure improvements.

(2) Pursuant to Section 75025 of the Public Resources Code, the sum of fifty million four hundred thousand dollars (\$50,400,000) to the State Department of Public Health for grants for projects to prevent or reduce the contamination of groundwater that serves as a source of drinking water. Funds appropriated by this paragraph shall be available for immediate projects needed to protect public health by preventing or reducing the contamination of groundwater that serves as a major source of drinking water for a community.

(A) The State Department of Public Health shall prioritize project funding based on the following criteria:

(i) The threat posed by groundwater contamination to the affected community's overall drinking water supplies, including the need for the treatment or construction of alternative supplies if groundwater is not available due to contamination.

(ii) The potential for groundwater contamination to spread and reduce drinking water supply and water storage capacity for major population areas.

(iii) The potential of the project, if fully implemented, to enhance local water supply reliability.

(iv) The potential of the project to increase opportunities for groundwater recharge and optimization of groundwater supplies.

(B) The State Department of Public Health shall give additional consideration to projects that meet any of the following criteria:

(i) The project is implemented pursuant to a comprehensive basinwide groundwater quality management and remediation plan or is necessary to develop a comprehensive groundwater plan.

(ii) Affected groundwater provides a local supply that, if contaminated, will require the importation of additional water from the Sacramento-San Joaquin Delta or the Colorado River.

(iii) The project will serve an economically disadvantaged community.

(iv) Multiple contaminants affect more than one-third of the well capacity of a local water system.

(C) Of the amount made available by this paragraph, up to ten million dollars (\$10,000,000) shall be allocated for projects that meet the criteria of this paragraph and both of the following criteria:

(i) The project has the potential to leverage funds.

(ii) The project addresses contamination at a site on the list maintained by the Department of Toxic Substances Control pursuant to Section 25356 of the Health and Safety Code or a site listed on the National Priorities List pursuant to the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. Sec. 9601 et seq.).

(D) Of the funds made available by this paragraph, two million dollars (\$2,000,000) shall be allocated to the State Department of Public Health to contract with the State Water Resources Control Board for the purposes of Section 83002.5.

(3)

6.

(A) Pursuant to Section 75026 of the Public Resources Code, the sum of one hundred eighty-one million seven hundred ninety-one thousand dollars (\$181,791,000) to the department for integrated regional water management activities as follows:

(i) One hundred million dollars (\$100,000,000) for implementation grants.

(ii) Thirty-nine million dollars (\$39,000,000) for planning grants, local groundwater assistance grants, and CALFED scientific research grants.

(iii) Twenty-two million ninety-one thousand dollars (\$22,091,000) for projects with interregional or statewide benefits. Of the amount made available pursuant to this paragraph, not less than ten million dollars (\$10,000,000) shall be made available for expenditure to interconnect municipal and industrial water supply aqueducts that cross the Delta and that are vulnerable to flood damage, including the design and construction of interties among aqueducts that provide at least 90 percent of a regional water supply that would be threatened in the event of levee failure or other disaster, and that support an integrated regional emergency water supply system.

(iv) Twenty million seven hundred thousand dollars (\$20,700,000) for program delivery costs.

(B) An implementation grant pursuant to clause (i) of subparagraph (A) shall be available only for projects included in an integrated regional water management plan that meets one of the following conditions:

(i) The plan complies with Part 2.2 (commencing with Section 10530) of Division

(ii) For a plan adopted before the date on which this section is enacted, both of the following apply:

(I) The regional water management group that prepared the plan enters into a binding agreement with the department to update the plan to comply with Part 2.2 (commencing with Section 10530) of Division 6 within two years of the date on which the agreement was entered into.

(II) The regional water management group undertakes all reasonable and feasible efforts to take into account water-related needs of disadvantaged communities in the area within the boundaries of the plan.

(C) Of the funds described in clauses (i) and (ii) of subparagraph (A), the department shall allocate not less than 10 percent to facilitate and support the participation of disadvantaged communities in integrated regional water management planning and for projects that address critical water supply or water quality needs for disadvantaged communities.

(D) Of the funds described in clause (iii) of subparagraph (A), the department shall allocate two million dollars (\$2,000,000) to Tulare County for development of an integrated water quality and wastewater treatment program plan to address the drinking water and wastewater needs of disadvantaged communities in the Tulare Lake Basin. Funds allocated pursuant to this paragraph shall be available for assessment and feasibility studies necessary to develop the plan, and the plan shall include recommendations for planning, infrastructure, and other water management actions, and shall include specific recommendations for regional drinking water treatment facilities, regional wastewater treatment facilities, conjunctive use sites and groundwater recharge, groundwater for surface water exchanges, related infrastructure, and cost-sharing mechanisms. Tulare County shall consult with appropriate stakeholders, including representatives of disadvantaged communities, when preparing the plan. The department, in consultation with the State Department of Public Health, shall submit the plan to the Legislature by January 1, 2011.

(E) Of the funds described in clause (i) of subparagraph (A), the department shall allocate not less than twenty million dollars (\$20,000,000) to support urban and agricultural water conservation projects necessary to meet a 20-percent reduction in per capita water use by the year 2020.

(4) Pursuant to Section 75029 of the Public Resources Code, the sum of ninety million dollars (90,000,000) to the department for the implementation of Delta water quality improvement projects that protect drinking water supplies as follows:

(A) Pursuant to subdivision (d) of Section 75029 of the Public Resources Code, the sum of fifty million dollars (\$50,000,000) for drinking water intake facility projects to improve the quality of drinking water supply from the Sacramento-San Joaquin Delta that are identified in the June 2005 Delta Region Drinking Water Quality Management Plan. Funding shall be made available for environmental review, design, and construction. Project proponents seeking funding for construction shall meet all of the following criteria:

(i) Have completed documentation required under the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) and a notice of determination has been filed prior to June 30, 2008.

(ii) Have demonstrated multiple benefits in conveyance and Delta operation to achieve protection or improvement to Delta pelagic fisheries, as well as drinking water quality improvement and public health protection.

(iii) Are able to complete design and commence construction before June 30,

(iv) Have local or federal cost-sharing funds immediately available.

(B) The sum of forty million dollars (\$40,000,000) for projects consistent with subdivision (c) of Section 75029 of the Public Resources Code.

(5) Pursuant to Section 75033 of the Public Resources Code, the sum of one hundred million dollars (\$100,000,000) to the department for the acquisition, preservation, protection, and restoration of Sacramento-San Joaquin Delta resources in accordance with Section 75033 of the Public Resources Code. The department shall expend these funds pursuant to priorities that reflect the value of the resources and land uses protected by the levees to the state as a whole, consistent with the Delta Vision Strategic Plan. Projects shall be selected to improve the stability of the Delta levee system, reduce subsidence, and assist in restoring the ecosystem of the Delta. Priority shall be given to projects that improve conditions for Delta smelt and other native fish. Up to five million dollars (\$5,000,000) made available pursuant to this paragraph shall be available as grants and direct expenditures for emergency communications equipment to improve emergency response preparedness.

(6) Pursuant to Chapter 4 (commencing with Section 75041) of Division 43 of the Public Resources Code, the sum of thirty-seven million dollars (\$37,000,000) to the department as follows:

(A)

2009.

(i) Twelve million dollars (\$12,000,000) to complete the planning and feasibility studies associated with new surface storage under the California Bay-Delta Program.

(ii) The planning and feasibility studies shall include the following information:

(I) The identification of specific construction and operation conditions proposed for each surface storage facility, including consideration of climate change, an estimated schedule for the construction and completion of each project funded under Section 75041, and the total costs of constructing each project.

(II) A description of the estimated total costs to construct each project and an allocation of the costs to public and private beneficiaries.

(iii) Any feasibility study conducted by or funded by the state for new surface storage under the California Bay-Delta Program shall evaluate funded projects consistent with all statutory and other legally established requirements for protection of environmental and natural resources, including protections for the McCloud River pursuant to Section 5093.542 of the Public Resources Code.

(iv) The feasibility studies shall be prepared and submitted to the Governor and the Legislature no later than December 31, 2009.

(B)

(i) Fifteen million dollars (\$15,000,000) for planning and feasibility studies to identify potential options for the reoperation of the state's flood protection and water supply systems that will optimize the use of existing facilities and groundwater storage capacity.

(ii) The studies shall incorporate appropriate climate change scenarios and be designed to determine the potential to achieve the following objectives:

(I) Integration of flood protection and water supply systems to increase water supply reliability and flood protection, improve water quality, and provide for ecosystem protection and restoration.

(II) Reoperation of existing reservoirs, flood facilities, and other water facilities in conjunction with groundwater storage to improve water supply reliability, flood control, and ecosystem protection and to reduce groundwater overdraft.

(III) Promotion of more effective groundwater management and protection and greater integration of groundwater and surface water resource uses.

(IV) Improvement of existing water conveyance systems to increase water supply reliability, improve water quality, expand flood protection, and protect and restore ecosystems.

(C) Ten million dollars (\$10,000,000) to update the California Water Plan, including evaluation of climate change impacts, the development of strategies to adapt to climate change impacts, technical assistance to local agencies that incorporate climate change into their studies, reports, and plans, and the identification of strategies to reduce greenhouse gas emissions related to the storage, conveyance, and distribution of water.

(D) Of the money made available pursuant to subparagraphs (A), (B), and (C), up to two million dollars (\$2,000,000) may be expended for planning and feasibility studies necessary to implement the Delta Vision Strategic Plan, developed pursuant to Executive Order No. S-17-06, dated September 28, 2006, establishing the Delta Vision process.

(7) Pursuant to Section 75050 of the Public Resources Code, the sum of seventeen million three hundred thousand dollars (\$17,300,000) for the protection and restoration of rivers and streams as follows:

(A) Ten million dollars (\$10,000,000) to the State Coastal Conservancy for the purposes of subdivision (i) of Section 75050 of the Public Resources Code.

(B) Seven million three hundred thousand dollars (\$7,300,000) to the department for the purposes of subdivision (e) of Section 75050 of the Public Resources Code.

(c) Of the funds made available pursuant to subdivision (a) of Section 79550, the sum of three million seven hundred sixty thousand dollars (\$3,760,000) is hereby appropriated to the department for planning and feasibility studies associated with surface storage under the California Bay-Delta Program.

(d)

(1) Of the funds available pursuant to Section 79101.4, the sum of two million two hundred seventy-two thousand dollars (\$2,272,000) is appropriated to the department for the Sacramento River Hamilton City Area Flood Damage Reduction Project.

(2) Of the funds available pursuant to subdivision (c) of Section 79196.5, the sum of three million four hundred fifty thousand dollars (\$3,450,000) is appropriated to the department for the Franks Tract Pilot Project under the CALFED Drinking Water Quality Program.

# §83002.5. Causes of groundwater contamination.

To improve understanding of the causes of groundwater contamination, identify potential remediation solutions and funding sources to recover costs expended by the state for the purposes of this section to clean up or treat groundwater, and ensure the provision of safe drinking water to all communities, the State Water Resources Control Board, in consultation with other agencies as specified in this section, shall develop pilot projects in the Tulare Lake Basin and the Salinas Valley that focus on nitrate contamination and do all of the following:

(a)

(1) In collaboration with relevant agencies and utilizing existing data, including groundwater ambient monitoring and assessment results along with the collection of new information as needed, do all of the following:

(A) Identify sources, by category of discharger, of groundwater contamination due to nitrates in the pilot project basins.

(B) Estimate proportionate contributions to groundwater contamination by source and category of discharger.

(C) Identify and analyze options within the board's current authority to reduce current nitrate levels and prevent continuing nitrate contamination of these basins and estimate the costs associated with exercising existing authority.

(2) In collaboration with the State Department of Public Health, do all of the following:

(A) Identify methods and costs associated with the treatment of nitrate contaminated groundwater for use as drinking water.

(B) Identify methods and costs to provide an alternative water supply to groundwater reliant communities in each pilot project basin.

(3) Identify all potential funding sources to provide resources for the cleanup of nitrates, groundwater treatment for nitrates, and the provision of alternative drinking water supply, including, but not limited to, state bond funding, federal funds, water rates, and fees or fines on polluters.

(4) Develop recommendations for developing a groundwater cleanup program for the Central Valley Water Quality Control Region and the Central Coast Water Quality Control Region based upon pilot project results.

(b) Create an interagency task force, as needed, to oversee the pilot projects and develop recommendations for the Legislature. The interagency task force may include the board, the State Department of Public Health, the Department of Toxic Substances Control, the California Environmental Protection Agency, the Department of Water Resources, local public health officials, the Department of Food and Agriculture, and the Department of Pesticide Regulation.

(c) Submit a report to the Legislature on the scope and findings of the pilot projects, including recommendations, within two years of receiving funding.

(d) Implement recommendations in the Central Coast Water Quality Control Region and the Central Valley Water Quality Control Region pursuant to paragraph (4) of subdivision (a) within two years of submitting the report described in subdivision (c) to the Legislature.

(e) For the Salinas Valley Pilot Project, the State Water Resources Control Board shall consult with the Monterey County Water Resources Agency.

#### §83002.6. Administrative costs

Up to 5 percent of the funds appropriated by this division may be expended to pay the costs incurred in the administration of that program

# §83002.7. Availability of funds until June 30, 2010

Funds appropriated by this division shall only be available for encumbrance until June 30, 2010. On January 10, 2010, any program that is the recipient of an appropriation made by this division shall report to the fiscal committees of the Legislature on the details of all committed and anticipated expenditures of these funds. The report shall include all of the following information:

(a) Fiscal detail of state operations support and local assistance costs.

(b) A general description of the project and the project funding made available by an appropriation in the annual Budget Act for the 2008-09 fiscal year or proposed to be made available in the annual Budget Act for the 2009-10 fiscal year.

(c) A description of the manner in which funds have been expended and a plan for the future expenditure of funds.

(d) An anticipated timeframe for the full expenditure of the appropriation.

(e) An anticipated timeframe for the full completion of the designated project.

(f) The amount of total matching project funding that is being provided by an entity other than the state.