The maturity of each respective series shall be calculated from the date of the series.

- 13458. Water Conservation and Groundwater Recharge Account

(a) The sum of seventy-five million dollars ($75,000,000) of the money in the fund shall be deposited in the Water Conservation and Groundwater Recharge Account and, notwithstanding Section 13340 of the Government Code, is appropriated for expenditure in the 1986-87 fiscal year for loans to local agencies to aid in the acquisition and construction of voluntary, cost-effective capital outlay water conservation programs and groundwater recharge facilities and the purposes set forth in this section. Loans made in the 1986-87 fiscal year may not be authorized sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house which considers appropriations, to the policy committee of the Assembly as designated by the Speaker of the Assembly and the policy committee of the Senate designated by the Senate Rules Committee, and the Chairperson of the Joint Legislative Budget Committee.

(b) Any contract entered into pursuant to this section may include provisions as may be determined by the department. However, any contract concerning an eligible, voluntary, cost-effective capital outlay water conservation program shall be supported by or shall include, in substance, all of the following:

1. An estimate of the reasonable cost and benefit of the program.
2. An agreement by the local agency to proceed expeditiously with, and complete, the program.
3. A provision that there shall be no moratorium or deferment on payments of principal or interest.
4. A loan period of up to 20 years with an interest rate set annually by the department at 50 percent of the interest rate computed by the true interest cost method on bonds most recently issued pursuant to this chapter. The interest rate set for each contract shall be applied throughout the contract's repayment period. There shall be a level annual repayment of principal and interest on the loans.
5. A provision that the project shall not receive any more than five million dollars ($5,000,000) in loan proceeds from the department.

The department shall set priority for loans under this subdivision on the basis of the cost effectiveness of the proposed project, with the most cost-effective projects receiving the highest priorities.

(c) Any contract concerning an eligible project for groundwater recharge shall be supported by or shall include, in substance, all of the following:

1. A finding by the department that the agency has the ability to repay the requested loan, that the project is economically justified, and that the project is feasible from an engineering and hydrogeologic viewpoint.
2. An estimate of the reasonable cost and benefit of the project, including a feasibility report which shall set forth the economic justification and the engineering, hydrogeologic, and financial feasibility of the project, and shall include explanations of the proposed facilities and their relation to other water-related facilities in the basin or region.
3. An agreement by the agency to proceed expeditiously to complete the project in conformance with the approved plans and specifications and the feasibility report and to operate and maintain the project properly upon completion throughout the repayment period.
4. A provision that there shall be no moratorium or deferment on payment of principal or interest.
5. A loan period of up to 20 years with an interest rate set annually by the department at 50 percent of the interest rate computed by the true interest cost method on bonds most recently issued pursuant to this chapter. The interest rate set for each contract shall be applied throughout the contract's repayment period. There shall be a level annual repayment of principal and interest on the loans.
6. A provision that the project shall not receive any more than five million dollars ($5,000,000) in loan proceeds from the department.

The department shall give priority under this subdivision to projects of agencies located in
overdrafted groundwater basins and those projects of critical need, to projects whose feasibility studies show the greatest economic justification and the greatest engineering and hydrogeologic feasibility as determined by the department, and to projects located in areas which have existing water management programs.

(d) The department may make loans to local agencies, at the interest rates authorized under this section and under any terms and conditions as may be determined necessary by the department, for the purposes of financing feasibility studies of projects potentially eligible for funding under this section. No single potential project shall be eligible to receive more than one hundred thousand dollars ($100,000), and not more than 3 percent of the total amount of bonds authorized to be expended for purposes of this section may be expended for this purpose. A loan for a feasibility study shall not decrease the maximum amount of any other loan which may be made under this section.

13459. Agricultural Drainage Water Account

(a) The sum of seventy-five million dollars ($75,000,000) of the money in the fund shall be deposited in the Agricultural Drainage Water Account is appropriated for expenditure in the 1986-87 fiscal year for loans to agencies to aid in the construction of drainage water management units for the treatment, storage, or disposal of agricultural drainage water and the purposes set forth in this section. The board may loan an agency up to 100 percent of the total eligible costs of design and construction of an eligible project. Loans made in the 1986-87 fiscal year may not be authorized sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house which considers appropriations, to the policy committee of the Assembly as designated by the Speaker of the Assembly and the policy committee of the Senate designated by the Senate Rules Committee, and the Chairperson of the Joint Legislative Budget Committee.

(b) Any contract for an eligible project entered into pursuant to this section may include such provisions as determined by the board and shall include, in substance, all of the following provisions:

1. An estimate of the reasonable cost of the eligible project.
2. An agreement by the agency to proceed expeditiously with, and complete, the eligible project; commence operation of the containment structures or treatment works upon completion and to properly operate and maintain the works in accordance with applicable provisions of law; provide for payment of the agency's share of the cost of the project, including principal and interest on any state loan made pursuant to this section; and, if appropriate, apply for and make reasonable efforts to secure federal assistance for the state-assisted project.
3. All loans pursuant to this section are subject to all of the following provisions:
   1. Agencies seeking a loan shall demonstrate, to the satisfaction of the board, that an adequate opportunity for public participation regarding the loan has been provided.
   2. Any election held with respect to the loan shall include the entire agency except where the agency proposes to accept the loan on behalf of a specified portion, or portions, of the agency, in which case the referendum shall be held in that portion or portions of the agency only.
   3. Loan contracts may not provide a moratorium on payment of principal or interest.
   4. Loans shall be for a period of up to 20 years. The interest rate for the loans shall be set at a rate equal to 5 percent of the interest rate paid by the state on the most recent sale of state general obligation bonds, with that rate to be computed according to the true interest cost method. When the interest rate so determined is not a multiple of one-tenth of 1 percent, the interest rate shall be set at the next higher multiple of one-tenth of 1 percent. The interest rate set for each contract shall be applied throughout the contract's repayment period. There shall be a level annual repayment of principal and interest on loans.
   5. The board in considering eligible projects shall give preference to technologies which treat drainage water where the board finds that the technology is readily available and economically feasible for the agency.
   6. No single project may receive more than twenty million dollars ($20,000,000) in loan proceeds from the board.
(d) The board may make loans to local agencies, at the interest rates authorized under this section and under any terms and conditions as may be determined necessary by the board, for purposes of financing feasibility studies of projects potentially eligible for funding under this section. No single potential project shall be eligible to receive more than one hundred thousand dollars ($100,000), and not more than 3 percent of the total amount of bonds authorized to be expended for purposes of this section may be expended for this purpose. A loan for a feasibility study shall not decrease the maximum amount of any other loan which may be made under this section.

- 13459.5. Unallocated funds

Unallocated money remaining in the Agricultural Drainage Water Account in the 1986 Water Conservation and Water Quality Bond Fund on November 6, 1996, and any unallocated money deposited into that account from the sale of any bonds that are sold after November 6, 1996, shall be transferred to the Drainage Management Subaccount, created by Section 78641, of the Clean Water and Water Recycling Account in the Safe, Clean, Reliable Water Supply Fund for the purposes of subdivision (b) of Section 78645. For the purpose of this section, "unallocated money" means money not committed or appropriated as of November 6, 1996, which is not less than six million one hundred seventy-seven thousand dollars ($6,177,000).

- 13460. Reimbursement

Money deposited in the fund pursuant to any provision of law requiring repayments to the state for assistance financed by the proceeds of the bonds authorized by this chapter shall be available for transfer to the General Fund as a reimbursement for payment of bond principal and interest.

- 13461. Appropriation

There is hereby appropriated from the General Fund, for the purpose of this chapter, an amount equal to the sum of the following:

(a) The amount necessary annually to pay the principal of, and the interest on, the bonds issued and sold pursuant to this chapter, as the principal and interest become due and payable.

(b) The amount necessary to carry out Section 13462, which is appropriated without regard to fiscal years.

- 13462. Withdrawal

For the purpose of carrying out this chapter, the Director of Finance may, by executive order, authorize the withdrawal from the General Fund of amounts not to exceed the amount of the unsold bonds which the committee has authorized to be sold for the purpose of carrying out this chapter.

The amounts withdrawn shall be deposited in the fund and shall be disbursed by the department or the board in accordance with this chapter. Any money made available under this section to the department or the board shall be returned to the General Fund from money received from the sale of bonds. The withdrawals from the General Fund shall be returned to the General Fund with interest at the rate which would have otherwise been earned by those withdrawals in the Pooled Money Investment Fund.

- 13462.5. Authority to sequester

Notwithstanding any other provision of this bond act, or of 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), if the Treasurer sells bonds pursuant to this bond act 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, the Treasurer may maintain separate accounts for the bond proceeds invested and 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.
13463. Issuance

Upon request of the department or the board, the committee shall determine whether or not it is necessary or desirable to issue bonds authorized under this chapter.

13464. Sale

The committee may authorize the Treasurer to sell all, or any part, of the bonds at times fixed by the Treasurer.

13465. Terms and conditions

Notwithstanding Sections 13458 and 13459, the committee may prescribe further terms and conditions for loan contracts to authorize a deferment on payment of all or part of the principal.

13466. Legislative approval

For the 1987-88 fiscal year and each year thereafter, a loan may be made by the department only upon the specific approval of the Legislature, by an act enacted after the receipt of a report filed pursuant to Section 13467.

13467. Report to the Legislature

The department shall annually submit a report to the Legislature on the status of the loan program authorized under Section 13458, including a prioritized list of projects eligible for funding, and the need for financial assistance for voluntary, cost-effective capital outlay water conservation programs and groundwater recharge facilities.

13468. Legislative intent

It is the intent of language in Section 13998.80(3), Section 13999.10(d), and Section 13999.11(d) of the Water Code which was enacted by the voters in the Clean Water Bond Law of 1984 that "the average interest rate paid by the state on general obligation bonds in the calendar year immediately preceding the year in which the loan agreement is made" means the interest rate computed by the true interest cost method on the bonds most recently issued pursuant to the Clean Water Bond Law of 1984.

13469. Severability

If any provision of this chapter or the application thereof to any person or circumstance is held invalid, that invalidity shall not affect other provisions or applications of the chapter which can be given effect without the invalid provision or application, and to this end the provisions of this chapter are severable.

CHAPTER 6.5. STATE WATER POLLUTION CONTROL REVOLVING FUND

13475. Legislative findings

(a) The Legislature hereby finds and declares that since the federal Clean Water Act (33 U.S.C. Sec. 1251 et seq.) provides for establishment of a perpetual water pollution control revolving loan fund, which will be partially capitalized by federal contributions, it is in the interest of people of the state, in order to ensure full participation by the state under the federal Clean Water Act, to enact this chapter to authorize the state to establish and implement a state/federal water pollution control revolving fund in accordance with federal provisions, requirements, and limitations.

(b) The primary purpose of this chapter is to enact a statute consistent with the provisions and requirements of the federal Clean Water Act, as those provisions, requirements, and limitations relate to establishment, management, and operation of a state/federal water pollution control revolving fund. It is the intent of the Legislature that the terms of this chapter shall be liberally construed to achieve this purpose.

13476. Definitions

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

(a) "Board" means the State Water Resources Control Board.

(b) "Federal Clean Water Act" or "federal act" means the federal Water Pollution Control Act (33
U.S.C.A. Sec. 1251 et seq.) and acts amending thereof or supplemental thereto.

(c) "Fund" means the State Water Pollution Control Revolving Fund.

(d) "Matching funds" means money that equals the percentage of federal contributions required by the federal act to be matched with state funds.

(e) "Municipality" has the same meaning and construction as in the federal act and also includes all state, interstate, and intermunicipal agencies.

(f) "Publicly owned" means owned by a municipality.

- 13477. Creation and continuation of the revolving fund

The State Water Pollution Control Revolving Fund is hereby created in the State Treasury, and, notwithstanding Section 13340 of the Government Code, all moneys in the fund are continuously appropriated without regard to fiscal years to the board for expenditure in accordance with this chapter. The board is the state agency responsible for administering the fund. In order to facilitate compliance with the federal Tax Reform Act of 1986 (Public Law 99-514), there is hereby established in the fund a Federal Revolving Loan Fund Account and a State Revolving Loan Fund Account. From time-to-time thereafter, the board may modify existing accounts in the fund and may establish other accounts in the fund, and in all other funds administered by the board, which the board deems appropriate or necessary for proper administration.

- 13478. Board authority

The board may undertake any of the following:

(a) Enter into agreements with the federal government for federal contributions to the fund.

(b) Accept federal contributions to the fund.

(c) 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 loan commitment.

(d) Use moneys in the fund for the purposes permitted by the federal act.

(e) Provide for the deposit of matching funds and any other available and necessary moneys into the fund.

(f) 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.

(g) Determine on behalf of the state that publicly owned treatment works which receive financial assistance from the fund will meet the requirements of, and otherwise be treated as required by, the federal act.

(h) Provide for appropriate audit, accounting, and fiscal management services, plans, and reports relative to the fund.

(i) Take additional incidental action as appropriate for the adequate administration and operation of the fund.

(j) 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.A. Sec. 1383 (d) (7)) and processing the loan application. The fee shall be waived by the board if sufficient funds to cover those costs are available from other sources.

(k) 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.A. Sec. 1383(d) (7)).

- 13479. Federal contributions

The board may enter into an agreement with the federal government for federal contributions to the fund only if both of the following conditions have been met:

(1) The state has identified any required matching funds.

(2) The board is prepared to commit to the expenditure of any minimum amount in the fund in the manner required by the federal act.

(b) Any agreement between the board and the federal government shall contain those provisions,
terms, and conditions required by the federal act, and any 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 used to assure maintenance of progress toward compliance with the enforceable deadlines, goals, and requirements of the federal act, including any applicable municipal compliance deadlines.

- 13480. Authorized uses

(a) Moneys in the fund shall be used only for the permissible purposes allowed by the federal act, including providing financial assistance for the following purposes:

(1) The construction of publicly owned treatment works, as defined by Section 212 of the federal act (33 U.S.C.A. Sec. 1292), by any municipality.

(2) Implementation of a management program pursuant to Section 319 of the federal act (33 U.S.C.A. Sec. 1329).

(3) Development and implementation of a conservation and management plan under Section 320 of the federal act (33 U.S.C.A. Sec. 1330).

(4) Financial assistance, other than a loan, toward the nonfederal share of costs of any grant-funded treatment works project, but only if that assistance is necessary to permit the project to proceed.

(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 20 years after project completion.

(C) Require the loan recipient to establish an acceptable dedicated source of revenue for repayment of any 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 interest rate shall be set at a rate equal to 50 percent of the interest rate paid by the state on the most recent sale of state general obligation bonds and the interest rate shall be computed according to the true interest cost method. If the interest rate so determined is not a multiple of one-tenth of 1 percent, the interest rate shall be set at the multiple of one-tenth of 1 percent next above the interest rate so determined. Any 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.A. 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 Clean Water 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 Clean Water Act (33 U.S.C. Sec. 1330), and the applicant provides matching funds, the interest 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 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.A. Sec. 1381 et
Those costs shall not exceed 4 percent of all federal contributions to the fund, except that if permitted by federal and state law, interest repayments into the fund and other monies in the fund may be used to defray additional administrative and activity costs to the extent permitted by the federal government and approved by the Legislature in the Budget Act.

(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.

- 13481. Limitations on use

The fund shall be used to provide financial assistance only for projects which are (a) consistent with plans, if any, developed under Sections 205(g), 208, 303(e), 319, and 320 of the federal act, and (b) on the approved state priority list adopted under Section 216 of the federal act.

- 13482. Transfer of funds

(a) In accordance with the Clean Water Bond Law of 1984 (Chapter 13 (commencing with Section 13999)), the board, with the approval of the Clean Water Finance Committee, may transfer funds from the Clean Water Construction Grant Account to the fund for the purpose of meeting federal requirements for matching moneys in the fund.

(b) Any repayment of fund moneys, 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 authorized by the federal act.

(c) A municipality that elects to provide matching funds shall do all of the following:

1. Establish an account or other funding mechanism permitted by law for the deposit and use of those funds.

2. Pay the state's share of the amount of money owed to any contractor for services rendered to that municipality and transmit evidence of payment to that contractor to the board before the federal matching funds become available pursuant to the federal act.

3. Grant to the state access to the financial records of the account or other funding mechanism established pursuant to paragraph (1).

- 13483. Rebate to federal government

(a) To the extent permitted by federal and state law, monies in the fund may be used 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 thereof or supplement thereto. To the extent that this use 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 provision of law or regulation, the board may enter into contracts, or may procure those services and equipment, which 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 Clean Water Act.

- 13485. Rules and regulations

The board may adopt rules and regulations necessary or convenient to implement this chapter and to meet federal requirements pursuant to the federal act.

CHAPTER 7. WATER RECLAMATION

Article 1. Short title

- 13500. Citation

This chapter shall be known as and may be cited as the Water Recycling Law.

Article 2. Declaration of policy

- 13510. Legislative declaration

It is hereby declared that the people of the state have a primary interest in the development of facilities to recycle water containing waste to supplement existing surface and underground water supplies and to assist in meeting the future water requirements of the state.
• 13511. Legislative findings

The Legislature finds and declares that a substantial portion of the future water requirements of this state may be economically met by beneficial use of recycled water.

The Legislature further finds and declares that the utilization of recycled water by local communities for domestic, agricultural, industrial, recreational, and fish and wildlife purposes will contribute to the peace, health, safety and welfare of the people of the state. Use of recycled water constitutes the development of "new basic water supplies" as that term is used in Chapter 5 (commencing with Section 12880) of Part 6 of Division 6.

• 13512. Legislative intent

It is the intention of the Legislature that the state undertake all possible steps to encourage development of water recycling facilities so that recycled water may be made available to help meet the growing water requirements of the state.

Article 3. State assistance

• 13515. Authorization to provide loans

In order to implement the policy declarations of this chapter, the state board is authorized to provide loans for the development of water reclamation facilities, or for studies and investigations in connection with water reclamation, pursuant to the provisions of Chapter 6 (commencing with Section 13400) of this division.

Article 4. Regulation of reclamation

• 13520. Definition

As used in this article "recycling criteria" are the levels of constituents of recycled water, and means for assurance of reliability under the design concept which will result in recycled water safe from the standpoint of public health, for the uses to be made.

• 13521. Statewide criteria

The State Department of Health Services shall establish uniform statewide recycling criteria for each varying type of use of recycled water where the use involves the protection of public health.

• 13522. Abatement order

(a) Whenever the State Department of Health Services or any local health officer finds that a contamination exists as a result of the use of recycled water, the department or local health officer shall order the contamination abated in accordance with the procedure provided for in Chapter 6 (commencing with Section 5400) of Part 3 of Division 5 of the Health and Safety Code.

(b) The use of recycled water in accordance with the uniform statewide recycling criteria established pursuant to Section 13521, for the purpose of this section, does not cause, constitute, or contribute to, any form of contamination, unless the department or the regional board determines that contamination exists.

• 13522.5. Reports

(a) Except as provided in subdivision (c), any person recycling or proposing to recycle water, or using or proposing to use recycled water, within any region for any purpose for which recycling criteria have been established, shall file with the appropriate regional board a report containing information required by the regional board.

(b) Except as provided in subdivision (c), every person recycling water or using recycled water shall file with the appropriate regional board a report of any material change or proposed change in the character of the recycled water or its use.

(c) Each report under this section shall be sworn to, or submitted under penalty of perjury.

(d) This section shall not be construed so as to require any report in the case of any producing, manufacturing, or processing operation involving the recycling of water solely for use in the producing, manufacturing, or processing operation.

(e) Except upon the written request of the regional board, a report is not required pursuant to this section from any user of recycled water.
which is being supplied by a supplier or distributor for whom a master recycling permit has been issued pursuant to Section 13523.1.

- 13522.6. Misdemeanor

Any person failing to furnish a report under Section 13522.5 when so requested by a regional board is guilty of a misdemeanor.

- 13522.7. Enforcement

The Attorney General, at the request of the regional board, shall petition the superior court for the issuance of a temporary restraining order, temporary injunction or permanent injunction, or combination thereof, as may be appropriate, requiring any person not complying with Section 13522.5 to comply forthwith.

- 13523. Reclamation requirements

(a) Each regional board, after consulting with and receiving the recommendations of the State Department of Health Services and any party who has requested in writing to be consulted, and after any necessary hearing, shall, if in the judgment of the board, it is necessary to protect the public health, safety, or welfare, prescribe waste reclamation requirements for water which is used or proposed to be used as reclaimed water.

(b) The requirements may be placed upon the person reclaiming water, the user, or both. The requirements shall be established in conformance with the uniform statewide reclamation criteria established pursuant to Section 13521. The regional board may require the submission of a preconstruction report for the purpose of determining compliance with the uniform statewide reclamation criteria. The requirements for a use of reclaimed water not addressed by the uniform statewide reclamation criteria shall be considered on a case-by-case basis.

- 13523.1. Master reclamation permit

(a) Each regional board, after consulting with, and receiving the recommendations of, the State Department of Health Services and any party who has requested in writing to be consulted, with the consent of the proposed permittee, and after any necessary hearing, may, in lieu of issuing waste discharge requirements pursuant to Section 13263 or water reclamation requirements pursuant to Section 13523 for a user of reclaimed water, issue a master reclamation permit to a supplier or distributor, or both, of reclaimed water.

(b) A master reclamation permit shall include, at least, all of the following:

1. Waste discharge requirements, adopted pursuant to Article 4 (commencing with Section 13260) of Chapter 4.

2. A requirement that the permittee comply with the uniform statewide reclamation criteria established pursuant to Section 13521. Permit conditions for a use of reclaimed water not addressed by the uniform statewide water reclamation criteria shall be considered on a case-by-case basis.

3. A requirement that the permittee establish and enforce rules or regulations for reclaimed water users, governing the design and construction of reclaimed water use facilities and the use of reclaimed water, in accordance with the uniform statewide reclamation criteria established pursuant to Section 13521.

4. A requirement that the permittee submit a quarterly report summarizing reclaimed water use, including the total amount of reclaimed water supplied, the total number of reclaimed water use sites, and the locations of those sites, including the names of the hydrologic areas underlying the reclaimed water use sites.

5. A requirement that the permittee conduct periodic inspections of the facilities of the reclaimed water users to monitor compliance by the users with the uniform statewide reclamation criteria established pursuant to Section 13521 and the requirements of the master reclamation permit.

6. Any other requirements determined to be appropriate by the regional board.

- 13523.5. Salinity standards

A regional board may not deny issuance of water reclamation requirements to a project which violates only a salinity standard in the basin plan.

- 13524. Recycling criteria and requirements

No person shall recycle water or use recycled water for any purpose for which recycling criteria have been established until water recycling
requirements have been established pursuant to this article or a regional board determines that no requirements are necessary.

- 13525. Injunction

Upon the refusal or failure of any person or persons recycling water or using recycled water to comply with the provisions of this article, the Attorney General, at the request of the regional board, shall petition the superior court for the issuance of a temporary restraining order, preliminary injunction, or permanent injunction, or combination thereof, as may be appropriate, prohibiting forthwith any person or persons from violating or threatening to violate the provisions of this article.

- 13525.5. Misdemeanor

Any person recycling water or using recycled water in violation of Section 13524, after such violation has been called to his attention in writing by the regional board, is guilty of a misdemeanor. Each day of such recycling or use shall constitute a separate offense.

- 13526. Misdemeanor

Any person who, after such action has been called to his attention in writing by the regional board, uses recycled water for any purpose for which recycling criteria have been established prior to the establishment of water recycling requirements, is guilty of a misdemeanor.

- 13527. Financial assistance

(a) In administering any statewide program of financial assistance for water pollution or water quality control which may be delegated to it pursuant to Chapter 6 (commencing with Section 13400) of this division, the state board shall give added consideration to water quality control facilities providing optimum water recycling and use of recycled water.

(b) Nothing in this chapter prevents the appropriate regional board from establishing waste discharge requirements if a discharge is involved.

- 13528. Disclaimer

No provision of this chapter shall be construed as affecting the existing powers of the State Department of Health Services.

- 13529. Legislative findings

The Legislature hereby finds and declares all of the following:

(a) The purpose of Section 13529.2 is to establish notification requirements for unauthorized discharges of recycled water to waters of the state.

(b) It is the intent of the Legislature in enacting this section to promote the efficient and safe use of recycled water.

(c) The people of the state have a primary interest in the development of facilities to recycle water to supplement existing water supplies and to minimize the impacts of growing demand for new water on sensitive natural water bodies.

(d) A substantial portion of the future water requirements of the state may be economically met by the beneficial use of recycled water.

(e) The Legislature has established a statewide goal to recycle 700,000 acre-feet of water per year by the year 2000 and 1,000,000 acre-feet of water per year by the year 2010.

(f) The use of recycled water has proven to be safe and the State Department of Health Services is drafting regulations to provide for expanded uses of recycled water.

- 13529.2. Unauthorized discharges

(a) Any person who, without regard to intent or negligence, causes or permits an unauthorized discharge of 50,000 gallons or more of recycled water, as defined in subdivision (c), or 1,000 gallons or more of recycled water, as defined in subdivision (d), in or on any waters of the state, or causes or permits such unauthorized discharge to be discharged 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 appropriate regional board.

(b) For the purposes of this section, an unauthorized discharge means a discharge not
authorized by waste discharge requirements pursuant to Article 4 of Chapter 4 (commencing with Section 13260), water reclamation requirements pursuant to Section 13523, a master reclamation permit pursuant to Section 13523.1, or any other provision of this division.

(c) For the purposes of this section, "recycled water" means wastewater treated as "disinfected tertiary 2.2 recycled water," as defined or described by the State Department of Health Services or wastewater receiving advanced treatment beyond disinfected tertiary 2.2 recycled water.

(d) For purposes of this section, "recycled water" means "recycled water," as defined in subdivision (n) of Section 13050, which is treated at a level less than "disinfected tertiary 2.2 recycled water," as defined or described by the State Department of Health Services.

(e) The requirements in this section supplement, and shall not supplant, any other provisions of law.

- 13529.4. Administrative liability

(a) Any person refusing or failing to provide the notice required by Section 13529.2, or as required by a condition of waste discharge requirements requiring notification of unauthorized releases of recycled water as defined in Section 13529.2, may be subject to administrative civil liability in an amount not to exceed the following:

1. For the first violation, or a subsequent violation occurring more than 365 days from a previous violation, five thousand dollars ($5,000).
2. For a second violation occurring within 365 days of a previous violation, ten thousand dollars ($10,000).
3. For a third or subsequent violation occurring within 365 days of a previous violation, twenty-five thousand dollars ($25,000).

(b) The penalties in this section supplement, and shall not supplant, any other provisions of law.

Article 5. Surveys and investigations

- 135030. Surveys

The department, either independently or in cooperation with any person or any county, state, federal, or other agency, or on request of the state board, to the extent funds are allocated therefor, shall conduct surveys and investigations relating to the reclamation of water from waste pursuant to Section 230.

Article 6. Waste well regulation

- 13540. In water-bearing strata

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. Notwithstanding the foregoing, when a regional board finds that water quality considerations do not preclude controlled recharge of such stratum by direct injection, and when the State Department of Health Services, following a public hearing, finds the proposed recharge will not impair the quality of water in the receiving aquifer as a source of water supply for domestic purposes, recycled water may be injected by a well into such stratum. The State Department of Health Services may make and enforce such regulations pertaining thereto as it deems proper.

Nothing in this section shall be construed to affect the authority of the state board or regional boards to prescribe and enforce requirements for such discharge.

13541. As used in this article, "waste well" includes any hole dug or drilled into the ground, used or intended to be used for the disposal of waste.

Article 7. Waste water reuse

- 13550. Legislative findings

(a) The Legislature hereby finds and declares that the use of potable domestic water for nonpotable uses, including, but not limited to, cemeteries, golf courses, parks, highway landscaped areas, and industrial and irrigation
uses, is a waste or an unreasonable use of the water within the meaning of Section 2 of Article X of the California Constitution if recycled water is available which meets all of the following conditions, as determined by the state board, after notice to any person or entity who may be ordered to use recycled water or to cease using potable water and a hearing held pursuant to Article 2 (commencing with Section 648) of Chapter 1.5 of Division 3 of Title 23 of the California Code of Regulations:

1. The source of recycled water is of adequate quality for these uses and is available for these uses. In determining adequate quality, the state board shall consider all relevant factors, including, but not limited to, food and employee safety, and level and types of specific constituents in the recycled water affecting these uses, on a user-by-user basis. In addition, the state board shall consider the effect of the use of recycled water in lieu of potable water on the generation of hazardous waste and on the quality of wastewater discharges subject to regional, state, or federal permits.

2. The recycled water may be furnished for these uses at a reasonable cost to the user. In determining reasonable cost, the state board shall consider all relevant factors, including, but not limited to, the present and projected costs of supplying, delivering, and treating potable domestic water for these uses and the present and projected costs of supplying and delivering recycled water for these uses, and shall find that the cost of supplying the treated recycled water is comparable to, or less than, the cost of supplying potable domestic water.

3. After concurrence with the State Department of Health Services, the use of recycled water from the proposed source will not be detrimental to public health.

4. The use of recycled water for these uses will not adversely affect downstream water rights, will not degrade water quality, and is determined not to be injurious to plantlife, fish, and wildlife.

(b) In making the determination pursuant to subdivision (a), the state board shall consider the impact of the cost and quality of the nonpotable water on each individual user.

(c) The state board may require a public agency or person subject to this article to furnish information which the state board determines to be relevant to making the determination required in subdivision (a).

• 13551. Availability of recycled water

A person or public agency, including a state agency, city, county, city and county, district, or any other political subdivision of the state, shall not use water from any source of quality suitable for potable domestic use for nonpotable uses, including cemeteries, golf courses, parks, highway landscaped areas, and industrial and irrigation uses if suitable recycled water is available as provided in Section 13550; however, any use of recycled water in lieu of water suitable for potable domestic use shall, to the extent of the recycled water so used, be deemed to constitute a reasonable beneficial use of that water and the use of recycled water shall not cause any loss or diminution of any existing water right.

• 13552. Legislative intent

The amendments to Sections 13550 and 13551 of the Water Code made during the first year of the 1991-92 Regular Session are not intended to alter any rights, remedies, or obligations which may exist prior to January 1, 1992, pursuant to, but not limited to, those sections or Chapter 8.5 (commencing with Section 1501) of Part 1 of Division 1 of the Public Utilities Code.

• 13552.2. Legislative findings

(a) The Legislature hereby finds and declares that the use of potable domestic water for the irrigation of residential landscaping is a waste or an unreasonable use of water within the meaning of Section 2 of Article X of the California Constitution if recycled water, for this use, is available to the residents and meets the requirements set forth in Section 13550, as determined by the state board after notice and a hearing.

(b) The state board may require a public agency or person subject to this section to submit information that the state board determines may be relevant in making the determination required in subdivision (a).
13552.4. Required use for landscaping

(a) Any public agency, including a state agency, city, county, city and county, district, or any other political subdivision of the state, may require the use of recycled water for irrigation of residential landscaping, if all of the following requirements are met:

(1) Recycled water, for this use, is available to the user and meets the requirements set forth in Section 13550, as determined by the state board after notice and a hearing.

(2) The use of recycled water does not cause any loss or diminution of any existing water right.

(3) The irrigation systems are constructed in accordance with Chapter 3 (commencing with Section 60301) of Division 4 of Title 22 of the California Code Regulations.

(b) This section applies to both of the following:

(1) New subdivisions for which the building permit is issued on or after March 15, 1994, or, if a building permit is not required, new structures for which construction begins on or after March 15, 1994, for which the State Department of Health Services has approved the use of recycled water.

(2) Any residence that is retrofitted to permit the use of recycled water for landscape irrigation and for which the State Department of Health Services has approved the use of recycled water.

(c) Division 13 (commencing with Section 21000) of the Public Resources Code does not apply to any project which only involves the repiping, redesign, or use of recycled water for irrigation of residential landscaping necessary to comply with a requirement prescribed by a public agency under subdivision (a).

(2) The exemption in paragraph (1) does not apply to any project to develop recycled water, to construct conveyance facilities for recycled water, or any other project not specified in this subdivision.

13552.6. Regarding cooling

(a) The Legislature hereby finds and declares that the use of potable domestic water for floor trap priming, cooling towers, and air-conditioning devices is a waste or an unreasonable use of water within the meaning of Section 2 of Article X of the California Constitution if recycled water, for these uses, is available to the user, and the water meets the requirements set forth in Section 13550, as determined by the state board after notice and a hearing.

(b) The state board may require a public agency or person subject to this section to submit information that the state board determines may be relevant in making the determination required in subdivision (a).

13552.8. Required use for cooling

(a) Any public agency, including a state agency, city, county, city and county, district, or any other political subdivision of the state, may require the use of recycled water in floor trap priming, cooling towers, and air-conditioning devices, if all of the following requirements are met:

(1) Recycled water, for these uses, is available to the user and meets the requirements set forth in Section 13550, as determined by the state board after notice and a hearing.

(2) The use of recycled water does not cause any loss or diminution of any existing water right.

(3) If public exposure to aerosols, mist, or spray may occur, appropriate mist mitigation or mist control is provided, such as the use of mist arrestors or the addition of biocides to the water in accordance with criteria established pursuant to Section 13521.

(4) The person intending to use recycled water has prepared an engineering report pursuant to Section 60323 of Title 22 of the California Code of Regulations that includes plumbing design, cross-connection control, and monitoring requirements for the public agency, which are in compliance with criteria established pursuant to Section 13521.

(b) This section applies to both of the following:

(1) New industrial facilities and subdivisions for which the building permit is issued on or after March 15, 1994, or, if a building permit is not required, new structures for which construction begins on or after March 15, 1994, for which the State Department of Health Services has approved the use of recycled water.

(2) Any structure that is retrofitted to permit the use of recycled water for floor traps, cooling
towers, or air-conditioning devices, for which the State Department of Health Services has approved the use of recycled water.

(c) (1) Division 13 (commencing with Section 21000) of the Public Resources Code does not apply to any project which only involves the repiping, redesign, or use of recycled water for floor trap priming, cooling towers, or air-conditioning devices necessary to comply with a requirement prescribed by a public agency under subdivision (a).

(2) The exemption in paragraph (1) does not apply to any project to develop recycled water, to construct conveyance facilities for recycled water, or any other project not specified in this subdivision.

- 13553. Regarding toilet flushing

(a) The Legislature hereby finds and declares that the use of potable domestic water for toilet and urinal flushing in structures is a waste or an unreasonable use of water within the meaning of Section 2 of Article X of the California Constitution if recycled water, for these uses, is available to the user and meets the requirements set forth in Section 13550, as determined by the state board after notice and a hearing.

(b) The state board may require a public agency or person subject to this section to furnish whatever information may be relevant to making the determination required in subdivision (a).

(c) For the purposes of this section and Section 13554, "structure" or "structures" means commercial, retail, and office buildings, theaters, auditoriums, schools, hotels, apartments, barracks, dormitories, jails, prisons, and reformatories, and other structures as determined by the State Department of Health Services.

(d) Nothing in this section or Section 13554 applies to a pilot program adopted pursuant to Section 13553.1.

- 13553.1. Legislative findings

(a) The Legislature hereby finds and declares that certain coastal areas of the state have been using sea water to flush toilets and urinals as a means of conserving potable water; that this practice precludes the beneficial reuse of treated wastewater and has had a deleterious effect on the proper wastewater treatment process, and has led to corrosion of the sea water distribution pipelines and wastewater collection systems; and that this situation must be changed.

(b) There is a need for a pilot program to demonstrate that conversion to the use of recycled water in residential buildings for toilet and urinal flushing does not pose a threat to public health and safety.

(c) A city that is providing a separate distribution system for sea water for use in flushing toilets and urinals in residential structures may, by ordinance, authorize the use of recycled water for the flushing of toilets and urinals in residential structures if the level of treatment and the use of the recycled water meets the criteria set by the State Department of Health Services.

- 13554. Required use for toilet flushing

(a) Any public agency, including a state agency, city, county, city and county, district, or any other political subdivision of the state, may require the use of recycled water for toilet and urinal flushing in structures, except a mental hospital or other facility operated by a public agency for the treatment of persons with mental disorders, if all of the following requirements are met:

1. Recycled water, for these uses, is available to the user and meets the requirements set forth in Section 13550, as determined by the state board after notice and a hearing.

2. The use of recycled water does not cause any loss or diminution of any existing water right.

3. The public agency has prepared an engineering report pursuant to Section 60323 of Title 22 of the California Code of Regulations that includes plumbing design, cross-connection control, and monitoring requirements for the use site, which are in compliance with criteria established pursuant to Section 13521.

(b) This section applies only to either of the following:

1. New structures for which the building permit is issued on or after March 15, 1992, or, if a building permit is not required, new structures for which construction begins on or after March 15, 1992.

2. Any construction pursuant to subdivision (a) for which the State Department of Health Services has approved the use of recycled water.
Services has, prior to January 1, 1992, approved the use of recycled water.

(c) Division 13 (commencing with Section 21000) of the Public Resources Code does not apply to any project which only involves the repiping, redesign, or use of recycled water by a structure necessary to comply with a requirement issued by a public agency under subdivision (a). This exemption does not apply to any project to develop recycled water, to construct conveyance facilities for recycled water, or any other project not specified in this subdivision.

• 13554.2. Reimbursement of costs

(a) Any person or entity proposing the use of recycled water shall reimburse the State Department of Health Services for reasonable costs that department actually incurs in performing duties pursuant to this chapter.

(b) (1) Upon a request from the person or entity proposing the use of recycled water, the State Department of Health Services shall, within a reasonable time after the receipt of the request, provide an estimate of the costs that it will reasonably incur in the performance of its duties pursuant to this chapter.

(2) For purposes of implementing subdivision (a), that department shall maintain a record of its costs. In determining those costs, that department may consider costs that include, but are not limited to, costs relating to personnel requirements, materials, travel, and office overhead. The amount of reimbursement shall be equal to, and may not exceed, that department's actual costs.

(c) With the consent of the person or entity proposing the use of recycled water, the State Department of Health Services may delegate all or part of the duties that department performs pursuant to this chapter within a county to a local health agency authorized by the board of supervisors to assume these duties, if, in the judgment of that department, the local health agency can perform these duties. Any person or entity proposing the use of recycled water shall reimburse the local health agency for reasonable costs that the local health agency actually incurs in the performance of its duties delegated pursuant to this subdivision.

(d) (1) Upon a request from the person or entity proposing the use of recycled water, the local health agency shall, within a reasonable time after the receipt of the request, provide an estimate of the costs it will reasonably incur in the performance of its duties delegated under subdivision (c).

(2) The local health agency, if delegated duties pursuant to subdivision (c), shall maintain a record of its costs that include, but is not limited to, costs relating to personnel requirements, materials, travel, and office overhead. The amount of reimbursement shall be equal to, and may not exceed, the local health agency's actual costs.

(e) The State Department of Health Services or local health agency shall complete its review of a proposed use of recycled water within a reasonable period of time. That department shall submit to the person or entity proposing the use of recycled water a written determination as to whether the proposal submitted is complete for purposes of review within 30 days from the date of receipt of the proposal and shall approve or disapprove the proposed use within 30 days from the date on which that department determines that the proposal is complete.

(f) An invoice for reimbursement of services rendered shall be submitted to the person or entity proposing the use of recycled water subsequent to completion of review of the proposed use, or other services rendered, that specifies the number of hours spent by the State Department of Health Services or local health agency, specific tasks performed, and other costs actually incurred. Supporting documentation, including receipts, logs, timesheets, and other standard accounting documents, shall be maintained by that department or local health agency and copies, upon request, shall be provided to the person or entity proposing the use of recycled water.

(g) For the purposes of this section, "person or entity proposing the use of recycled water" means the producer or distributor of recycled water submitting a proposal to the department.

• 13554.3. Fees

The State Water Resources Control Board may establish a reasonable schedule of fees by which it is reimbursed for the costs it incurs pursuant to Sections 13553 and 13554.
13555.2. Finding on dual delivery systems

The Legislature hereby finds and declares that many local agencies deliver recycled water for nonpotable uses and that the use of recycled water is an effective means of meeting the demands for new water caused by drought conditions or population increases in the state. It is the intent of the Legislature to encourage the design and construction of water delivery systems on private property that deliver water for both potable and nonpotable uses in separate pipelines.

13555.3. Requirement of dual delivery systems

(a) Water delivery systems on private property that could deliver recycled water for nonpotable uses described in Section 13550, that are constructed on and after January 1, 1993, shall be designed to ensure that the water to be used for only potable domestic uses is delivered, from the point of entry to the private property to be served, in a separate pipeline which is not used to deliver the recycled water.

(b) This section applies to water delivery systems on private property constructed within either of the following jurisdictions:

1. One that has an urban water management plan that includes the intent to develop recycled water use.

2. One that does not have an urban water management plan that includes recycled water use, but that is within five miles of a jurisdiction that does have an urban water management plan that includes recycled water use, and has indicated a willingness to serve the water delivery system.

(c) This section does not preempt local regulation of the delivery of water for potable and nonpotable uses and any local governing body may adopt requirements which are more restrictive than the requirements of this section.

13556. Delivery of recycled water

In addition to any other authority provided in law, any water supplier described in subdivision (b) of Section 1745 may acquire, store, provide, sell, and deliver recycled water for any beneficial use, including, but not limited to, municipal, industrial, domestic, and irrigation uses, if the water use is in accordance with statewide recycling criteria and regulations established pursuant to this chapter.

CHAPTER 7.5 WATER RECYCLING ACT OF 1991

13575. Citation; definitions

(a) This chapter shall be known and may be cited as the Water Recycling Act of 1991.

(b) As used in this chapter, the following terms have the following meanings:

(1) "Customer" means a person or entity that purchases water from a retail water supplier.

(2) "Entity responsible for groundwater replenishment" means any person or entity authorized by statute or court order to manage a groundwater basin and acquire water for groundwater replenishment.

(3) "Recycled water" has the same meaning as defined in subdivision (n) of Section 13050.

(4) "Recycled water producer" means any local public entity that produces recycled water.

(5) "Recycled water wholesaler" means any local public entity that distributes recycled water to retail water suppliers and which has constructed, or is constructing, a recycled water distribution system.

(6) "Retail water supplier" means any local entity, including a public agency, city, county, or private water company, that provides retail water service.

(7) "Retailer" means the retail water supplier in whose service area is located the property to which a customer requests the delivery of recycled water service.

13576. Legislative findings

The Legislature hereby makes the following findings and declarations:

(a) The State of California is subject to periodic drought conditions.

(b) The development of traditional water resources in California has not kept pace with the state’s population, which is growing at the rate of over 700,000 per year and which is anticipated to reach 36 million by the year 2010.

(c) There is a need for a reliable source of water for uses not related to the supply of potable water to protect investments in agriculture,
greenbelts, and recreation and to replenish groundwater basins, and protect and enhance fisheries, wildlife habitat, and riparian areas.

(d) The environmental benefits of recycled water include a reduced demand for water in the Sacramento-San Joaquin Delta which is otherwise needed to maintain water quality, reduced discharge of waste into the ocean, and the enhancement of groundwater basins, recreation, fisheries, and wetlands.

(e) The use of recycled water has proven to be safe from a public health standpoint, and the State Department of Health Services is updating regulations for the use of recycled water.

(f) The use of recycled water is a cost-effective, reliable method of helping to meet California's water supply needs.

(g) The development of the infrastructure to distribute recycled water will provide jobs and enhance the economy of the state.

(h) Retail water suppliers and recycled water producers and wholesalers should promote the substitution of recycled water for potable water and imported water in order to maximize the appropriate cost-effective use of recycled water in California.

(i) Recycled water producers, retail water suppliers, and entities responsible for groundwater replenishment should cooperate in joint technical, economic, and environmental studies, as appropriate, to determine the feasibility of providing recycled water service.

(j) Retail water suppliers and recycled water producers and wholesalers should be encouraged to enter into contracts to facilitate the service of recycled and potable water by the retail water suppliers in their service areas in the most efficient and cost-effective manner.

(k) Recycled water producers and wholesalers and entities responsible for groundwater replenishment should be encouraged to enter into contracts to facilitate the use of recycled water for groundwater replenishment if recycled water is available and the authorities having jurisdiction approve its use.

(l) Wholesale prices set by recycled water producers and recycled water wholesalers, and rates that retail water suppliers are authorized to charge for recycled water, should reflect an equitable sharing of the costs and benefits associated with the development and use of recycled water.

• 13577. Water recycling goals

This chapter establishes a statewide goal to recycle a total of 700,000 acre-feet of water per year by the year 2000 and 1,000,000 acre-feet of water per year by the year 2010.

• 13579. Potential uses and sources

(a) In order to achieve the goals established in Section 13577, retail water suppliers shall identify potential uses for recycled water within their service areas, potential customers for recycled water service within their service areas, and, within a reasonable time, potential sources of recycled water.

(b) Recycled water producers and recycled water wholesalers may also identify potential uses for recycled water, and may assist retail water suppliers in identifying potential customers for recycled water service within the service areas of those retail water suppliers.

(c) Recycled water producers, retail water suppliers, and entities responsible for groundwater replenishment may cooperate in joint technical, economic, and environmental studies, as appropriate, to determine the feasibility of providing recycled water service and recycled water for groundwater replenishment consistent with the criteria set forth in paragraphs (i) to (3), inclusive, of subdivision (a) of Section 13550 and in accordance with Section 60320 of Title 22 of the California Code of Regulations.

• 13580. Application for supply

(a) A retail water supplier that has identified a potential use or customer pursuant to Section 13579 may apply to a recycled water producer or recycled water wholesaler for a recycled water supply.

(b) A recycled water producer or recycled water wholesaler that has identified a potential use or customer pursuant to Section 13579 may, in writing, request a retail water supplier to enter into an agreement to provide recycled water to the potential customer.
(c) A customer may request, in writing, a retailer to enter into an agreement to provide recycled water to the customer.

(d) (1) An entity responsible for groundwater replenishment that is a customer of a retail water supplier and that has identified the potential use of recycled water for groundwater replenishment purposes may, in writing, request that retail water supplier to enter into an agreement to provide recycled water for that purpose. That entity may not obtain recycled water for that purpose from a recycled water producer, a recycled water wholesaler, or another retail water supplier without the agreement of the entity’s retail water supplier.

(2) An entity responsible for groundwater replenishment that is not a customer of a retail water supplier and that has identified the potential use of recycled water for groundwater replenishment purposes may, in writing, request a retail water supplier, a recycled water producer, or a recycled water wholesaler to enter into an agreement to provide recycled water for that purpose.

- 13580.5. Agreement to provide recycled water

(a)(1) Subject to subdivision (e) of Section 13580.7, a retail water supplier that receives a request from a customer pursuant to subdivision (c) of Section 13580 shall enter into an agreement to provide recycled water, if recycled water is available, or can be made available, to the retail water supplier for sale to the customer.

(2) Notwithstanding paragraph (1), in accordance with a written agreement between a recycled water producer or a recycled water wholesaler and a retail water supplier, the retail water supplier may delegate to a recycled water producer or a recycled water wholesaler its responsibility under this section to provide recycled water.

(b) A customer may not obtain recycled water from a recycled water producer, a recycled water wholesaler, or a retail water supplier that is not the retailer without the agreement of the retailer.

(c) If either a recycled water producer or a recycled water wholesaler provides a customer of a retail water supplier with a written statement that it can and will provide recycled water to the retailer, the retail water supplier shall, not later than 120 days from the date on which the retail water supplier receives the written statement from the customer, by certified mail, return receipt requested, submit a written offer to the customer. A determination of availability pursuant to Section 13550 is not required.

(d) If the state board pursuant to Section 13550 makes a determination that there is available recycled water to serve a customer of a retail water supplier, the retail water supplier, not later than 120 days from the date on which the retail water supplier receives a copy of that determination from the customer, by certified mail, return receipt requested, shall submit a written offer to the customer.

- 13580.7. Public agency supplier

(a) This section applies only to a retail water supplier that is a public agency.

(b) A customer may request, in writing, a retail water supplier to enter into an agreement or adopt recycled water rates in order to provide recycled water service to the customer. The retail water supplier, by certified mail return receipt requested, shall submit a written offer to the customer not later than 120 days from the date on which the retail water supplier receives the written request from the customer.

(c) If no rate is in effect for recycled water service within the service area of a retail water supplier, the rate and conditions for recycled water service shall be established by contract between the retail water supplier and the customer, not later than 120 days from the date on which the customer requests a contract, or, by resolution or ordinance by the retail water supplier, not later than 120 days from the date on which the retail water supplier receives the customer’s written request for an ordinance or resolution.

(d) A rate for recycled water service established by contract, ordinance, or resolution, shall reflect a reasonable relationship between the amount of the rate and the retail cost of obtaining or producing the recycled water, the cost of conveying the recycled water, and overhead expenses for providing recycled water service. Capital costs of facilities required to serve the customer shall be amortized over the economic life of the facility, or the length of time the customer agrees to purchase recycled water,
whichever is less. The rate shall not exceed the estimated reasonable cost of providing the service, and any additional costs agreed to by the customer for recycled water supplemental treatment.

(e) The rate for recycled water shall be comparable to, or less than, the retail water supplier’s rate for potable water. If recycled water service cannot be provided at a rate comparable to, or less than, the rate for potable water, the retail water supplier is not required to provide the recycled water service, unless the customer agrees to pay a rate that reimburses the retail water supplier for the costs described in subdivision (c).

(f) The offer required by subdivisions (c) and (d) of Section 13580.5 shall identify all of the following:

1. The source for the recycled water.
2. The method of conveying the recycled water.
3. A schedule for delivery of the recycled water.
4. The terms of service.
5. The rate for the recycled water, including the per-unit cost for that water.
6. The costs necessary to provide service and the basis for determining those costs.

(g) This section does not apply to recycled water service rates established before January 1, 1999, or any amendments to those rates.

13580.8. Suppliers regulated by the P.U.C.

(a) This section applies only to a retail water supplier that is regulated by the Public Utilities Commission.

(b) Rates for recycled water that is provided to the customer by a retail water supplier regulated by the Public Utilities Commission shall be established by the commission pursuant to Section 455.1 of the Public Utilities Code. A regulated water utility may request the commission to establish the rate or rates for the delivery of recycled or nonpotable water, with the objective of providing, where practicable, a reasonable economic incentive for the customer to purchase recycled or nonpotable water in place of potable water.

(c) A regulated water utility may propose a rate or rates for recycled or nonpotable water by tariff or by contract between the retail water supplier and the customer. Where the rate or rates are set by contract, the water utility and its customer shall meet, confer, and negotiate in good faith to establish a contract rate.

(d) The commission shall, as appropriate, provide a discount from the general metered rate of the water utility for potable water by either of the following means:

1. Passing through to the customer the net reduction in cost to the water utility in purchasing and delivering recycled or nonpotable water as compared to the cost of purchasing and delivering potable water.

2. Granting to the customer a uniform discount from the water utility’s general metered potable water rate when the discount in paragraph (1) is determined to be an insufficient incentive for the customer to convert to the use of recycled or nonpotable water. If the commission provides for a discount pursuant to this paragraph that is greater than the water utility’s reduction in cost, the commission shall authorize the water utility to include the aggregate amount of that discount in its revenue requirements to be applied to, and recovered in, rates that are applicable to all general metered customers.

13580.9. West Covina

(a) Notwithstanding any other provision of law, and except as otherwise previously provided for in a contract agreed to by the customer and the City of West Covina, if the purchaser, contractor, or lessee of, or successor to, all or a portion of the water utility owned by the City of West Covina is a retail water supplier that is regulated by the Public Utilities Commission, rates for recycled or nonpotable water service to a closed hazardous waste and solid waste facility located within the boundaries of the City of West Covina for the purposes of irrigation, recreation, or dust suppression or any other use at that facility shall be established in accordance with subdivisions (a) to (e), inclusive, of Section 13580.7, and if there is a failure to agree on the terms and conditions of a recycled or nonpotable water supply agreement for the delivery of water for those purposes by that purchaser, contractor, lessee, or successor, Section 13581 shall apply.

(b) For the purpose of this section, nonpotable water that is not the result of the treatment of waste shall be treated as the
equivalent of recycled water if it is suitable for a direct beneficial use or a controlled use that would not otherwise occur and is therefore considered a valuable resource, if the use of that water will not adversely affect downstream water rights, degrade water quality, or be injurious to plant life, fish, or wildlife, as provided by statute or by regulations of the State Department of Health Services and the state board or a regional board, as appropriate.

- 13581. Mediation of agreements

  a) If there is a failure to agree on terms and conditions of a recycled water supply agreement involving a retail water supplier that is a public agency within 180 days from the date of the receipt of a request for recycled water pursuant to subdivision (c) of Section 13580, a written statement pursuant to subdivision (c) of Section 13580.5, or a determination of availability pursuant to subdivision (d) of Section 13580.5, any party may request a formal mediation process. The parties shall commence mediation within 60 days after the mediation request is made. If the parties cannot agree on a mediator, the director shall appoint a mediator. The mediator may recommend to the parties appropriate terms and conditions applicable to the service of recycled water. The cost for the services of the mediator shall be divided equally among the parties to the mediation and shall not exceed twenty thousand dollars ($20,000).

  b) If the parties in mediation reach agreement, both parties together shall draft the contract for the recycled water service. The parties shall sign the contract within 30 days.

  c) If the parties in mediation fail to reach agreement, the affected retail water supplier shall, within 30 days, by resolution or ordinance, adopt a rate for recycled water service. The agency action shall be subject to validating proceedings pursuant to Chapter 9 (commencing with Section 860) of Part 2 of Title 10 of the Code of Civil Procedure, except that there shall not be a presumption in favor of the retail water supplier under the action taken to set the rate for recycled water service. The mediator shall file a report with the superior court setting forth the recommendations provided to the parties regarding appropriate terms and conditions applicable to the service of recycled water. Each party shall bear its own costs and attorney’s fees.

- 13581.2. Determination by the P.U.C.

  If the retail water supplier is regulated by the Public Utilities Commission, and there is a failure to agree on terms and conditions of a recycle water supply agreement with a customer within 180 days from the date of the receipt of a request for recycled water pursuant to subdivision (c) of Section 13580, a written statement pursuant to subdivision (c) of Section 13580.5, or a determination of availability pursuant to subdivision (d) of Section 13580.5, the matter shall be submitted to the Public Utilities Commission for resolution, and the commission shall determine a contract rate or rates for recycled water as provided in Section 13580.8.

- 13582. Rights, remedies, obligations

  This chapter is not intended to alter either of the following:

  (a) Any rights, remedies, or obligations which may exist pursuant to Article 1.5 (commencing with Section 1210) of Chapter 1 of Part 2 of Division 2 of this code or Chapter 8.5 (commencing with Section 1501) of Part 1 of Division 1 of the Public Utilities Code.

  (b) Any rates established or contracts entered into prior to January 1, 1999.

- 13583. Failure to comply

  (a) If a retail water supplier that is a public agency does not comply with this chapter, the customer may petition a court for a writ of mandate pursuant to Chapter 2 (commencing with Section 1084) of Title 1 of Part 3 of the Code of Civil Procedure.

  (b) If a retail water supplier is regulated by the Public Utilities Commission and does not comply with this chapter, the Public Utilities Commission may order the retailer to comply with this chapter after receiving a petition from the customer specifying the provisions of this chapter with which the retailer has failed to comply.
CHAPTER 8. FEDERAL ASSISTANCE FOR TREATMENT FACILITIES

- 13600 Administration

The state board shall administer any program of financial assistance for water quality control which may be delegated to it by law, and may accept funds from the United States or any person to that end.

- 13601. Needs survey

The state board, in cooperation with the regional boards, shall survey the statewide need for waste collection, treatment and disposal facilities which will be required during the five-year period, January 1, 1968, to December 31, 1972, inclusive, to adequately protect the waters of the state for beneficial use. The state board shall also, biennially, commencing in 1970, survey the need for facilities which will be required by public agencies for the ensuing five-year period. The state board may request a local public agency operating such facilities to transmit to its regional board a report on the following:

(a) A summary of the construction or improvement of its waste collection, treatment and disposal facilities and amounts expended therefor.

(b) An estimate of its needs for the five-year period, January 1, 1968, to December 31, 1972, inclusive, and for any ensuing five-year period.

The state board shall review the information contained in the reports made by the local public agencies. The state board shall submit to the Legislature findings and conclusions as to the anticipated local, state, and federal financing necessary to provide the needed facilities for such periods.

- 13602. Fund availability

The state board shall make no commitment or enter into any agreement pursuant to an exercise of authority under this chapter until it has determined that any money required to be furnished as the state's share of project cost is available for such purpose.

- 13603. Budget bill

The Governor may request the funds required to finance the state's share of project costs for each fiscal year through inclusion of the anticipated state's share in the annual Budget Bill.

- 13604. State board review

The state board shall review and approve each waste collection, treatment, and disposal project for which an application for a grant under the Federal Water Pollution Control Act has been made. The state board shall, in reviewing each project, determine whether such project is in conformity with state policy for water quality control and in conformity with water quality control plans adopted by regional boards, and shall certify that such project is entitled to priority over other eligible projects on the basis of financial as well as water pollution control needs.

- 13605. Optimum recycling and use

For the purpose of reviewing applications for grants made pursuant to authority granted in Section 13600, the state board shall give added consideration to applicants having facilities providing optimum water recycling and use of recycled water.

- 13606. Sewerage service charge

If an application states that the applicant is not able to finance the local agency share of the project, the state board shall consider whether the applicant should be required to levy a sewerage service charge. If the state board determines a sewerage service charge is necessary to pay such costs, the state board shall not approve the grant application unless, as a condition to such approval, the applicant agrees to levy a reasonable and equitable sewerage service charge in connection with the proposed project.

Any such applicant, not otherwise authorized, is authorized by this section to levy a sewerage service charge pursuant to such an agreement, and shall levy such charge in the manner provided in the agreement.
13607. Continuing appropriation

All money appropriated by the Legislature for the state's share of the project costs shall be appropriated without regard to fiscal years, or shall augment an appropriation without regard to fiscal years.

13608. Certification requirements

After the effective date of the amendment of this section by the 1972 Regular Session of the Legislature, no application for a grant under this division or under the Federal Water Pollution Control Act, or amendment thereof, or for a loan pursuant to Chapter 6 (commencing with Section 13400) of this division, shall be accepted by the state board unless such application contains assurances that supervisors and operators of the plant meet or will meet certification requirements, adopted pursuant to Chapter 9 (commencing with Section 13625) of this division, for the proposed plant, as well as the plant in current operation.

13609. Transfer of funds

The money in the State Clean Water Grants Administration Revolving Fund is transferred to the State Clean Water Fund to pay, upon appropriation, for administrative costs relating to adjustments of grant processing fees paid pursuant to this chapter.

CHAPTER 9. WASTE WATER TREATMENT PLANT CLASSIFICATION AND OPERATOR CERTIFICATION

13625. Definitions

As used in this chapter:

(a) "Certificate" means a certificate of competency issued by the state board stating that the supervisor or operator has met the requirements for a specific classification in the certification program.

(b) "Waste water treatment plant" means either of the following:

1. Any facility owned by a state, local, or federal agency and used in the treatment or reclamation of sewage and industrial wastes.

2. Any privately owned facility used in the treatment or reclamation of sewage and industrial wastes, and regulated by the Public Utilities Commission pursuant to Sections 216 and 230.6 of, and Chapter 4 (commencing with Section 701) of Part 1 of Division 1 of, the Public Utilities Code.

(c) "Operator" means any person who operates a municipal or private utility waste water treatment plant.

(d) "Supervisor" means any person who has direct responsibility for the operation of a utility waste water treatment plant or who supervises any operators of such a plant.

13626. Treatment plant classification

The state board shall classify types of waste water treatment plants for the purpose of determining the levels of competence necessary to operate them. The state board shall adopt regulations setting forth the types of plants and the factors on which the state board based its classification.

13627. Operator certification

(a) Supervisors and operators of wastewater treatment plants shall possess a certificate of appropriate grade in accordance with, and to the extent recommended by the advisory committee and required by, regulations adopted by the state board. The state board shall develop and specify in its regulations the training necessary to qualify a supervisor or operator for certification for each type and class of plant. The state board may accept experience in lieu of qualification training. For supervisors and operators of water recycling treatment plants, the state board may approve use of a water treatment plant operator of appropriate grade certified by the State Department of Health Services pursuant to Article 3 (commencing with Section 106875) of Chapter 4 of Part 1 of Division 104 of the Health and Safety Code in lieu of a wastewater treatment plant operator certified by the state board, provided that the state board may refuse to approve use of an operator certified by the department or may suspend or revoke its approval of the use of an operator certified by the department if the operator commits any of the prohibited acts described in Article 7 of Chapter
26 of Division 3 of Title 23 of the California Code of Regulations.

(b) The regional water quality control board with jurisdiction for issuing and ensuring compliance with applicable water reclamation or waste discharge requirements shall notify the department in writing if, pursuant to an inspection conducted under Section 13267, the regional board makes a determination that there is reasonable grounds for not issuing or for suspending or revoking the certificate of a certified water treatment plant operator who is operating or supervising the operation of a water recycling treatment plant. The department shall make its determination regarding the issuance, suspension, or revocation of a certificate in accordance with Section 106876 of the Health and Safety Code.

(c) For purposes of this section, "water recycling treatment plant" means a treatment plant that receives and further treats secondary and/or tertiary effluent from a wastewater treatment plant.

(d) A person employed as a wastewater treatment plant supervisor or operator on the effective date of regulations adopted pursuant to this chapter shall be issued an appropriate certificate if the person meets the training, education, and experience requirements prescribed by regulations.

(e) The state board may refuse to grant, suspend, or revoke any certificate issued by the state board to operate a wastewater treatment plant, or may place on probation, or reprimand, the certificate holder upon any reasonable ground, including, but not limited to, all of the following reasons:

1. Submitting false or misleading information on an application for a certificate.
2. The employment of fraud or deception in the course of operating the municipal or private utility wastewater treatment plant.
3. A certificate holder's failure to use reasonable care or judgment in the operation of the plant.
4. A certificate holder's inability to perform operating duties properly.
5. Willfully or negligently violating, or causing, or allowing the violation of, waste discharge requirements or permits issued pursuant to the Federal Water Pollution Control Act (33 U.S.C. Sec. 1251 et seq.).

(f) The state board shall conduct all proceedings for the refusal to grant a certificate, and suspension or revocation of a certificate, pursuant to subdivision (c), in accordance with the rules adopted pursuant to Section 185.

- 13627.1. Misdemeanor

(a) Any person who operates a wastewater treatment plant who does not hold a valid, unexpired certificate of the appropriate grade issued pursuant to this chapter 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.

(b) Any person or entity that owns or operates a wastewater treatment plant that employs, or allows the employment of, any person as a wastewater treatment plant operator who does not hold a valid and unexpired certificate of the appropriate grade issued pursuant to this chapter 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.

- 13627.2. Operator registration

(a) Any person or entity that contracts with the owner of a wastewater treatment plant to operate that plant shall register with the state board, and shall, within a year after the registration or the renewal of the registration, and annually thereafter, prepare and submit to the state board a report with all of the following information:

1. The name and address of the person or entity.
2. The name and address of the wastewater treatment plants which the person or entity operates, or has operated during the preceding year, and the name of the applicable regional board which oversees each wastewater treatment plant.
3. The name and grade of each wastewater treatment plant operator employed at each plant.
4. Other information which the state board requires.

(b) The state board shall, by regulation, prescribe the procedures, and requirements for, registration pursuant to subdivision (a).
(c) The state board may refuse to grant, and may suspend or revoke, any registration issued by the state board pursuant to this section for good cause, including, but not limited to, any of the following reasons:

(1) The submission of false or misleading information on an application for registration.

(2) Employment of a person to operate a wastewater treatment plant who does not hold a valid, unexpired certificate of the appropriate grade.

(3) Willfully or negligently causing or allowing a violation of waste discharge requirements or permits issued pursuant to the Federal Water Pollution Control Act (33 U.S.C. Sec. 1251 et seq.)

(4) Failure to meet the registration requirements prescribed by the state board pursuant to subdivision (b).

(5) Failure to use reasonable care in the management or operation of the wastewater treatment plant.

(d) The state board shall conduct all proceedings relating to the refusal to grant, or the suspension or revocation of, registration pursuant to subdivision (c) in accordance with the rules adopted pursuant to Section 185.

(e) The state board shall establish a fee schedule to pay for its costs to implement this section.

(f) Any person or entity that fails to comply with subdivision (a) is guilty of a misdemeanor and may be civilly liable in an amount not to exceed one thousand dollars ($1,000) for each day of the violation.

- 13627.3. Civil liability

The civil liability described in Section 13627.1 or 13627.2 may be administratively imposed in accordance with Article 2.5 (commencing with Section 13323) of Chapter 5, except that the executive director shall issue the complaint with review by the state board.

- 13628. Certification fees

Certificates issued pursuant to this chapter shall be renewed biennially, subject to compliance by applicants with renewal requirements prescribed by regulations. Fees shall be payable to the state board at the time of issuance of a certificate and at the time of renewal. The state board shall establish a fee schedule to provide revenues to cover the cost of this program.

- 13629. Certification instruction

The state board may approve courses of instruction at higher educational institutions which will qualify operators for each grade of certification. The state board shall also approve courses of instruction given by professional associations, or other nonprofit private or public agencies which shall be deemed equivalent to courses of instruction given by higher educational institutions.

- 13630. Training funds

The state board is the state agency which is authorized to represent the state and its local governmental agencies in administering any federal or state funds available for municipal or private utility waste water treatment plant operator training. The state board may provide technical and financial assistance to organizations providing operator training programs.

- 13631. Advisory committee

Prior to adopting or amending any regulations or approving any courses for operator training, the state board shall appoint an advisory committee to assist it in carrying out its responsibilities under this chapter.

- 13632. Committee membership

The advisory committee appointed pursuant to Section 13631 shall consist of the following:

(a) Two persons from a statewide organization representing waste water treatment plant operators and supervisors, who shall be employed in a waste water treatment plant as an operator or supervisor.

(b) Two persons from statewide organizations representing municipalities, including counties or private utility waste water treatment plants.

(c) Two persons from statewide organizations representing local sanitation agencies, other than agencies specified in subdivision (b).

(d) One person who is a professional engineer specializing in sanitary engineering.
(e) One person from a university or a state university school or division of engineering.
(f) One person who is a member of an organized labor union which represents waste water treatment plant operators.

- 13633. Committee duties

The advisory committee shall review all proposed regulations and make recommendations to the state board prior to adoption of any regulations or amendments thereto.

CHAPTER 10. WATER WELLS AND CATHODIC PROTECTION WELLS

Article 1. Declaration of policy

- 13700. Legislative findings

The Legislature finds that the greater portion of the water used in this state is obtained from underground sources and that those waters are subject to impairment in quality and purity, causing detriment to the health, safety and welfare of the people of the state. The Legislature therefore declares that the people of the state have a primary interest in the location, construction, maintenance, abandonment, and destruction of water wells, cathodic protection wells, groundwater monitoring wells, and geothermal heat exchange wells, which activities directly affect the quality and purity of underground waters.

- 13701. Legislative declarations

The Legislature finds and declares all of the following:
(a) Improperly constructed and abandoned water wells, cathodic protection wells, groundwater monitoring wells, and geothermal heat exchange wells can allow contaminated water on the surface to flow down the well casing, thereby contaminating the usable groundwater.
(b) Improperly constructed and abandoned water wells, cathodic protection wells, groundwater monitoring wells, and geothermal heat exchange wells can allow unusable or low quality groundwater from one groundwater level to flow along the well casing to usable groundwater levels, thereby contaminating the usable groundwater.
(c) Contamination of groundwater poses serious public health and economic problems for many areas of the state.

Article 2. Definitions

- 13710. "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 hillside or earth embankments.

- 13711. "Cathodic protection well"

"Cathodic protection well," as used in this chapter, means any artificial excavation in excess of 50 feet constructed by any method for the purpose of installing equipment or facilities for the protection electrically of metallic equipment in contact with the ground, commonly referred to as cathodic protection.

- 13712. "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.

- 13712.5. Exemption

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.
13713. "Geothermal heat exchange well"

"Geothermal heat exchange well," as used in this chapter, means any uncased artificial excavation, by any method, that uses the heat exchange capacity of the earth for heating and cooling, in which excavation the ambient ground temperature is 50 degrees Celsius (86 degrees Fahrenheit) or less, and which excavation uses a closed loop fluid system to prevent the discharge or escape of its fluid into surrounding aquifers or other geologic formations. Geothermal heat exchange wells include ground source heat pump wells.

Article 3. Reports

13750.5. License

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 perforate 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. Report of completion

(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 perforates 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:

(i) 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.

(ii) 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. Availability of report

Reports made in accordance with paragraph (i) of subdivision (b) of Section 13751 shall not be made available for inspection by the public, but shall be made available to governmental agencies for use in making studies, or to any person who obtains a written authorization from the owner of the well. However, a report associated with a well located within two miles of an area affected or potentially affected by a known unauthorized release of a contaminant shall be made available to any person performing an environmental cleanup study associated with the unauthorized release, if the study is conducted under the order of a regulatory agency.

A report released to a person conducting an environmental cleanup study shall not be used for any purpose other than for the purpose of conducting the study.

13753. Conversion of oil or gas well

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
13754. Misdemeanor

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. Compliance

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. Required reports

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.

13800.5. Recommended standards

(a) (1) The department shall develop recommended standards for the construction, maintenance, abandonment, or destruction of geothermal heat exchange wells.

(2) Until the department develops recommended standards pursuant to paragraph (1), a local enforcement agency with authority over geothermal heat exchange wells may adopt temporary regulations applicable to geothermal heat exchange wells that the local enforcement agency determines to be consistent with the intent of existing department standards to prevent wells from becoming conduits of contamination.

(3) The department, not later than July 1, 1997, shall submit to the state board a report containing the recommended geothermal heat exchange well standards.

(b) The state board, not later than January 1, 1998, shall adopt a model geothermal heat exchange well ordinance that implements the recommended standards developed by the department pursuant to subdivision (a). The state board shall circulate the model ordinance to all cities and counties.

(c) Notwithstanding any other provision of law, each county, city, or water agency, where appropriate, not later than April 1, 1998, shall adopt a geothermal heat exchange well ordinance that meets or exceeds the recommended standards developed by the department pursuant to subdivision (a). If a water agency that has permit authority over well drilling adopts a geothermal heat exchange well ordinance that meets or exceeds the recommended standards developed by the department pursuant to subdivision (a), 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 that establishes geothermal heat exchange well standards, the model ordinance adopted by the state board pursuant to subdivision (b) shall take effect on May 1, 1998, 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.
13801. Regional board hearing

(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, 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 meet or exceed those in effect by any city, county, or water agency where appropriate, responsible for developing ordinances for the area in question.

13802. 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.

13803. Local ordinances

Each such affected county and city shall, within 120 days of receipt of the report, adopt an ordinance establishing standards of water well, cathodic protection well, and monitoring well construction, maintenance, abandonment, and destruction for the area designated by the regional board. Prior to adoption of the ordinance each affected county and city shall consult with all interested parties, including licensed well drillers. A copy of the ordinance shall be sent to the regional board on its adoption and the regional board shall transmit the ordinance to the department for its review and comments.

13804. Effective dates of standards

Such county and city well standards shall take effect 60 days from the date of their adoption by the county or city unless the regional board, on its own motion, or on the request of any affected person, holds a public hearing on the matter and
determines that the county or city well standards are not sufficiently restrictive to protect the quality of the affected waters. If the board makes such a determination it shall so report to the affected county or city and also recommend the well standards, or the modification of the county or city well standards, which it determines are necessary.

- 13805. Regional standards by default

If a county or city fails to adopt an ordinance establishing water well, cathodic protection well, and monitoring well construction, maintenance, abandonment, and destruction standards within 120 days of receipt of the regional board's report of its determination and those standards are necessary pursuant to Section 13802, or fails to adopt or modify those well standards in the manner determined as necessary by the regional board pursuant to Section 13804 within 90 days of receipt of the regional board's report, the regional board shall adopt standards for water well, cathodic protection well, and monitoring well construction, maintenance, abandonment, and destruction for the area. The regional board well standards shall take effect 30 days from the date of their adoption by the regional board and shall be enforced by the city or county and have the same force and effect as if adopted as a county or city ordinance.

- 13806. State board review

Any action, report, or determination taken or adopted by a regional board or any failure of a regional board to act pursuant to this article, or any county or city ordinance in the event of the failure of a regional board to review such ordinance pursuant to Section 13804, may be reviewed by the state board on its own motion, and shall be reviewed by the state board on the request of any affected county or city, in the same manner as other action or inaction of the regional board is reviewed pursuant to Section 13320. The state board has the same powers as to the review of action or inaction of a regional board or of a county or city ordinance under this article as it has as to other action or inaction of a regional board under Section 13320, including being vested with all the powers granted a regional board under this article, with like force and effect if it finds that appropriate action has not been taken by a regional board. Any action of a regional board under this article or any county or city ordinance affected by the review of the state board shall have no force or effect during the period of the review by the state board.

Chapter 10.2 through Chapter 10.7, Sections 13810-13895 are omitted. These sections may be consulted in various commercially published editions of the Water Code. They are also available electronically at: http://www.leginfo.ca.gov/calaw.html.

CHAPTER 11. DISCHARGES FROM HOUSEBOATS ON OR IN THE WATERS OF THE STATE

- 13900. Legislative findings

The Legislature finds and hereby declares that discharges from houseboats in or on the waters of the state constitute a significant source of waste as defined in Section 13050; that discharges of waste from houseboats in or on the waters of the state may impair the beneficial uses of the waters of the state to the detriment of the health, safety, and welfare of the people of the state; and that the discharges of waste from houseboats are not adequately regulated. The Legislature therefore declares that the people of the state have a primary interest in the coordination and implementation of the regulation of discharges of waste from houseboats on or in the waters of the state.

- 13901. Definitions

As used in this article, "houseboat" means a watercraft or industrial or commercial structure on or in the waters of the state, floating or nonfloating, which is designed or fitted out as a place of habitation and is not principally used for transportation. "Houseboat" includes platforms, and waterborne hotels and restaurants. "City or county" means any city, county, city and county, or port authority.

- 13902. Regional Board investigations

Each regional board shall investigate its region to determine areas in which discharges of waste
from houseboats are inadequately regulated by local ordinance.

- 13903. Regional Board reports

Each regional board shall notify each affected city or county, the State Department of Health Services and the State Department of Boating and Waterways of areas of inadequate regulation by ordinance of discharges of waste from houseboats and shall recommend provisions necessary to control the discharges of waste from houseboats into the waters.

- 13904. Adoption of ordinances

Each such affected city or county shall within 120 days of receipt of the notice from the regional board, adopt an ordinance for control of discharges of waste from houseboats within the area for which notice was given by the board. A copy of such ordinance shall be sent to the regional board on its adoption and the regional board shall transmit such ordinance to the state board, the State Department of Health Services and the State Department of Boating and Waterways.

- 13905. Effective date

Such city or county ordinance shall take effect 60 days from the date of adoption by the city or county, unless the regional board holds a public hearing on the matter and determines that the city or county ordinance is not sufficiently restrictive to protect the quality of the waters affected. If the board makes such a determination, it shall so report to the affected city or county and also recommend the ordinance, or modification of the city or county ordinance, which it determines is necessary.

- 13906. Failure to adopt ordinance

If a city or county fails to adopt an ordinance controlling discharges of waste from houseboats within 120 days of receipt of the regional board's notice pursuant to Section 13903, or fails to adopt or modify such ordinance in the manner determined as necessary by the regional board pursuant to Section 13905, within 90 days of receipt of the regional board's notice, the regional board may adopt regulations necessary for the control of discharges of waste from houseboats for the area designated. Such regional board regulations shall take effect 30 days from the date of their adoption and shall be enforced by the city or county and have the same force and effect as if adopted as a city or county ordinance.

- 13907. State Board review

Any action, report, determination, or regulation taken or adopted by a regional board, or any failure of a regional board to act may be reviewed by the state board, and shall be reviewed by the state board on the request of any affected city or county. The state board has all powers as to the review of action or inaction of a regional board under this article as it has to other action or inaction of a regional board, including all powers granted to a regional board to initially determine areas in which discharges of waste from houseboats are inadequately regulated by local ordinance and to adopt regulations when a city or county fails to do so, if the state board finds that appropriate action has not been taken by a regional board. Any action of a regional board under this chapter or any city or county ordinance affected by the review of the state board shall have no force or effect during the period of the review by the state board.

- 13908. Nonlimiting clause

No provision in this chapter and no action thereunder by a regional board or the state board is a limitation on the power of a city or county to adopt and enforce additional ordinances or regulations not in conflict therewith imposing further conditions, restrictions, or limitations with respect to the discharges of waste from houseboats.

CHAPTER 12. SPECIAL WATER QUALITY PROVISIONS

- 13950. Lake Tahoe Basin cesspools

Notwithstanding any other provision of law, upon any district in the Lake Tahoe Basin providing in any area of the district a sewer system and treatment facilities sufficient to handle and
treat any resultant waste and transportation facilities sufficient to transport any resultant effluent outside the Lake Tahoe Basin, the further maintenance or use of cesspools or other means of waste disposal in such area is a public nuisance and the district shall require all buildings from which waste is discharged to be connected with the sewer system within a period of not less than 90 days from the completion of such system and facilities.

- 13951. Exceptions

Notwithstanding any other provision of law, on or after January 1, 1972, waste from within the Lake Tahoe watershed shall be placed only into a sewer system and treatment facilities sufficient to handle and treat any such waste and transportation facilities sufficient to transport any resultant effluent outside the Lake Tahoe watershed, except that such waste may be placed in a holding tank which is pumped and transported to such treatment and transportation facilities.

As used in this section "waste" shall not include solid waste refuse.

The further maintenance or use of cesspools, septic tanks, or other means of waste disposal in the Lake Tahoe watershed on or after January 1, 1972, by any person, except as permitted pursuant to this section, is a public nuisance. The occupancy of any building from which waste is discharged in violation of this section is a public nuisance, and an action may be brought to enjoin any person from occupying any such building.

This section shall not be applicable to a particular area of the Lake Tahoe watershed whenever the regional board for the Lahontan region finds that the continued operation of septic tanks, cesspools, or other means of waste disposal in such area will not, individually or collectively, directly or indirectly, affect the quality of the waters of Lake Tahoe and that the sewerage of such area would have a damaging effect upon the environment.

This section shall not be applicable to any area or areas within the Fallen Leaf Lake watershed in the event the regional board for the Lahontan region finds that with the export of toilet wastes by single-family residences or with the export of toilet and kitchen wastes with respect to any commercial properties, the continued use of septic tanks, cesspools, or other means of waste disposal in such area or areas for the treatment and disposal of the remaining wastes, will not, individually or collectively, directly or indirectly, affect the quality of the waters of Lake Tahoe, and that the sewerage of such area or areas would have a damaging effect upon the environment.

This section shall not affect the applicability of Section 13950.

- 13952. Pilot reclamation projects

Notwithstanding the provisions of Sections 13950 and 13951, water containing waste which has been placed in a sanitary sewer system for treatment and transportation outside of the Lake Tahoe Basin may be reclaimed in a pilot reclamation project to demonstrate the technological and environmental feasibility of using such water for beneficial purposes within the Lake Tahoe Basin in accordance with the provisions of the Water Reclamation Law (Chapter 7 (commencing with Section 13500) of this division) and the provisions of this section.

Prior to the initiation of any pilot reclamation project within the Lake Tahoe Basin, the reclaimer or reuser shall submit the project with technical data to the regional board for the Lahontan region for approval. Only those projects submitted before January 1, 1984, shall be considered. The technical data submitted shall demonstrate that such pilot reclamation project will not, individually or collectively, directly or indirectly, adversely affect the quality of the waters of Lake Tahoe. The intended operational life of the project shall be at least 10 years.

No pilot reclamation project shall be initiated unless and until such regional board approves the project, and finds that such pilot reclamation project or projects will not, individually or collectively, directly or indirectly, adversely affect the quality of the waters of Lake Tahoe. The regional board for the Lahontan region shall place conditions on any approved project to include specification of maximum project size. The regional board for the Lahontan region may suspend or terminate an approved project for cause at any time.
• 13952.5. Waste discharge requirements

The declared statewide interest in the preservation of Lake Tahoe, and the state and federal actions mandating the transportation of treated sewage effluent out of the Lake Tahoe watershed, requires that the law relating to the authority for prescribing waste discharge requirements for the effluent, and requirements pertaining to the storage of the effluent, the receiving waters, and the disposal areas, be clarified, and that law is hereby clarified and confirmed, to provide that, notwithstanding Section 13002 or any other provision of law, the regional board for the Lahontan region has exclusive authority to prescribe, under existing law, waste discharge requirements for treated sewage effluent transported out of the Lake Tahoe watershed to Alpine County within the Lahontan region, including requirements pertaining to the storage of the effluent, the receiving waters, and the disposal areas in Alpine County within the Lahontan region. However, any such action by that regional board is subject to review as provided in Sections 13320 and 13330.

CHAPTER 12.2 SAN JOAQUIN VALLEY AGRICULTURAL DRAIN

• 13953. State and federal discharge requirements

There shall be no discharge from a San Joaquin Valley agricultural drain to the Delta, Suisun Bay, or Carquinez Straits until the requirements of this division and the Federal Clean Water Act (33 U.S.C. Sec. 1251 et seq.) are satisfied.

• 13953.1. Prohibited discharges

There shall be no discharge from a San Joaquin Valley drain into Monterey Bay or tributaries draining into Monterey Bay.

• 13953.2. Delta discharge requirements

If a San Joaquin Valley agricultural drain, including the drainage facility authorized as part of the San Luis Unit of the federal Central Valley Project, is constructed and discharges to the Delta, Suisun Bay, or Carquinez Straits, the state board shall permit the discharge pursuant to this division only if the state board finds that the following additional requirements are satisfied:

(a) The discharge of the drain, which is to carry only subsurface agricultural drainage effluent, shall be located and shall discharge at rates of flow to protect the beneficial uses of the Delta, Suisun Marsh, and the bays westerly to the Golden Gate. If it is determined to be in the public interest to provide a substitute water supply to water users in lieu of modifying the operation or changing the discharge point of the drain, no added financial burden shall be placed on the water users solely by virtue of that substitution.

(b) The drainage facility shall include built-in operational flexibility, control, and treatment to protect the beneficial uses of the Delta, Suisun Marsh, and the bays westerly to the Golden Gate.

(c) There is established an acceptable comprehensive monitoring program prior to and during the operation of the drain to determine the impact of the discharge effluent, if any, on the Delta, Suisun Marsh, and the bays westerly to the Golden Gate.

(d) A program has been developed, funded, and initiated to evaluate the feasibility of using drain water to establish wetland habitat capable of producing wintering waterfowl food supplies.

(e) The repayment schedule for the drain takes into account the following:

(1) The quantity of effluent discharged into the drain by the discharger.

(2) The concentration of salts in the effluent of the discharger.

(3) The distance the effluent of the discharger is carried in the drain.

(4) The quantity of water applied in the areas contributing to the drainage problem.

(f) There is an enforceable provision in the permit that any surface or subsurface effluent leakage shall be confined within the drainage facility right-of-way, and that in the event that this condition is violated the drainage facility shall not be operated until the leakage is stopped.

(g) The alignment of the drainage facility, to the extent feasible, shall be designed to minimize severance and access problems to land, roadways, and other facilities along the right-of-way.
13953.3. Beneficial use of subsurface drainage

Subsurface drainage effluent may be made available for any beneficial uses for which it is suitable, including, but not limited to, industrial uses, powerplant cooling, energy development, enhancement of fish and wildlife resources, and irrigation. These programs may reduce the demands for new fresh water supplies.

13953.4. Legislative intent

It is the intent of the Legislature that, to the extent feasible, features for the enhancement of fish and wildlife resources shall be incorporated into the drain. The state's participation in the drain shall be subject to the Davis-Dolwig Act (Chapter 10 (commencing with Section 11900) of Part 3 of Division 10).

CHAPTER 12.5. CLEAN WATER AND WATER CONSERVATION BOND LAW OF 1978

13955. Short title

This chapter shall be known and may be cited as the Clean Water and Water Conservation Bond Law of 1978.

13956. Legislative findings

The Legislature hereby finds and declares that clean water, which fosters the health of the people, the beauty of their environment, the expansion of industry and agriculture, the enhancement of fish and wildlife, the improvement of recreational facilities and the provision of pure drinking water at a reasonable cost, is an essential public need. However, because the State of California is subject to great fluctuations in precipitation which have created semiarid and arid conditions in many parts of the state, and because the state has historically experienced a dry year on the average once every fourth year and has occasionally experienced such dry years consecutively resulting in conditions of drought, it is of paramount importance that the limited water resources of the state be preserved and protected from pollution and degradation in order to ensure continued economic, community, and social growth. Although the State of California is endowed with abundant lakes and ponds, streams and rivers, and hundreds of miles of shoreline, as well as large quantities of underground water, these vast water resources are threatened by pollution, which, if not checked, will impede the state's economic, community and social growth. The chief cause of pollution is the discharge of inadequately treated waste into the waters of the state. Many public agencies have not met the demands for adequate waste treatment or the control of water pollution because of inadequate financial resources and other responsibilities. Increasing population accompanied by accelerating urbanization, growing demands for water of high quality, rising costs of construction and technological changes mean that unless the state acts now the needs may soar beyond the means available for public finance. Meeting these needs is a proper purpose of the federal, state and local governments. Local agencies, by reason of their closeness to the problem, should continue to have primary responsibility for construction, operation and maintenance of the facilities necessary to cleanse our waters. Since water pollution knows no political boundaries and since the cost of eliminating the existing backlog of needed facilities and of providing additional facilities for future needs will be beyond the ability of local agencies to pay, the state, to meet its responsibility to protect and promote the health, safety and welfare of the inhabitants of the state, should assist in the financing. The federal government is contributing to the cost of control of water pollution, and just provision should be made to cooperate with the United States of America.

13956.5. Further findings

The Legislature further finds and declares that the people of the state have a primary interest in the development and implementation of programs, devices, and systems to conserve water so as to make more efficient use of existing water supplies and to reclaim wastewater in order to supplement present surface and underground water supplies. Utilization of reclaimed water and water which has otherwise been conserved will economically benefit the people of the state, will augment the existing water supplies of many local
communities, and will assist in meeting future water requirements of the state. It is therefore further intended by the Legislature that the state undertake all appropriate steps to encourage and develop water conservation and reclamation so that such water may be made available to help meet the growing water requirements of the state.

- **13957. Legislative intent**

It is the intent of this chapter to provide necessary funds to insure the full participation by the state under the provisions of Title II of the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) and acts amendatory thereof or supplementary thereto, and to provide funds for state participation in the financing of projects, for the control of water pollution, or for the development of water conservation and wastewater reclamation, which are ineligible for federal assistance under Title II of the Federal Water Pollution Control Act and acts amendatory thereof or supplementary thereto.

- **13958. State General Obligation Bond Law adopted**

The State General Obligation Bond Law is adopted for the purpose of the issuance, sale and repayment of, and otherwise providing with respect to, the bonds authorized to be issued by this chapter, and the provisions of that law are included in this chapter as though set out in full in this chapter except that, notwithstanding anything in the State General Obligation Bond Law, the maximum maturity of the bonds shall not exceed 50 years from the date of each respective series. The maturity of each respective series shall be calculated from the date of such series.

- **13959. Definitions**

As used in this chapter, and for the purposes of this chapter as used in the State General Obligation Bond Law, the following words shall have the following meanings:

(a) "Committee" means the Clean Water and Water Conservation Finance Committee created by Section 13960.

(b) "Board" means the State Water Resources Control Board.

(c) "Fund" means the State Clean Water and Water Conservation Fund.

(d) "Municipality" shall have the same meaning as in the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) and acts amendatory thereof or supplementary thereto and shall also include the state or any agency, department, or political subdivision thereof.

(e) "Treatment works" shall have the same meaning as in the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) and acts amendatory thereof or supplementary thereto, and shall also include such additional devices and systems as are necessary and proper to control water pollution, reclaim wastewater, or reduce use of and otherwise conserve water.

(f) "Construction" means any one or more of the following: preliminary planning to determine the feasibility of treatment works, engineering, architectural, legal, fiscal, or economic investigations or studies, surveys, designs, plans, working drawings, specifications, procedures, or other necessary actions, erection, building, acquisition, alteration, remodeling, improvement, or extension of treatment works, or the inspection or supervision of any of the foregoing items.

(g) "Eligible project" means a project for the construction of treatment works which is all of the following:

1. Eligible for federal assistance, whether or not federal funds are then available therefor;
2. Necessary to prevent water pollution;
3. Certified by the board as entitled to priority over other treatment works, and which complies with applicable water quality standards, policies and plans.

(h) "Eligible state assisted project" means a project for the construction of treatment works which is all of the following:

1. Ineligible for federal assistance.
2. Necessary to prevent water pollution or feasible and cost effective for conservation or reclamation of water.
3. Certified by the board as entitled to priority over other treatment works and which complies with applicable water quality and other applicable federal or state standards, policies, and plans.

(i) "Federal assistance" means funds available to a municipality either directly or through allocation by the state, from the federal
government as grants for construction of treatment works, pursuant to Title II of the Federal Water Pollution Control Act, and acts amendatory thereof or supplementary thereto.

- 13959.5. Fund created

There is in the State Treasury the State Clean Water and Water Conservation Fund, which fund is hereby created.

- 13960. Finance Committee created

The Clean Water and Water Conservation Finance Committee is hereby created. The committee shall consist of the Governor or his designated representative, the State Controller, the State Treasurer, the Director of Finance, and the chairman of the board. The executive officer of the board shall serve as a member of the committee in the absence of the chairman. Said committee shall be the "committee" as that term is used in the State General Obligation Bond Law.

- 13961. Committee powers

The committee is hereby authorized and empowered to create a debt or debts, liability or liabilities, of the State of California, in the aggregate amount of three hundred seventy-five million dollars ($375,000,000), in the manner provided in this chapter. Such debt or debts, liability or liabilities, shall be created for the purpose of providing the fund to be used for the object and work specified in Section 13962.

- 13962. Use of moneys; contracts; grants

(a) The moneys in the fund shall be used for the purposes set forth in this section.

(b) The board is authorized to enter into contracts with municipalities having authority to construct, operate and maintain treatment works, for grants to such municipalities to aid in the construction of eligible projects.

Grants may be made pursuant to this section to reimburse municipalities for the state share of construction costs for eligible projects which received federal assistance but which did not receive an appropriate state grant due solely to depletion of the fund created pursuant to the Clean Water Bond Law of 1974; provided, however, that eligibility for reimbursement under this section is limited to the actual construction capital costs incurred.

Any contract pursuant to this section may include such provisions as may be agreed upon by the parties thereto, and any such contract concerning an eligible project shall include, in substance, the following provisions:

1. An estimate of the reasonable cost of the eligible project;

2. An agreement by the board to pay to the municipality, during the progress of construction or following completion of construction as may be agreed upon by the parties, an amount which equals at least 121/2 percent of the eligible project cost determined pursuant to federal and state laws and regulations;

3. An agreement by the municipality, (i) to proceed expeditiously with, and complete, the eligible project, (ii) to commence operation of the treatment works on completion thereof, and to properly operate and maintain such works in accordance with applicable provisions of law, (iii) to apply for and make reasonable efforts to secure federal assistance for the eligible project, (iv) to secure the approval of the board before applying for federal assistance in order to maximize the amounts of such assistance received or to be received for all eligible projects in the state, and (v) to provide for payment of the municipality's share of the cost of the eligible project.

(c) In addition to the powers set forth in subdivision (b) of this section, the board is authorized to enter into contracts with municipalities for grants for eligible state assisted projects.

Any contract for an eligible state assisted project pursuant to this section may include such provisions as may be agreed upon by the parties thereto, provided, however, that the amount of moneys which may be granted or otherwise committed to municipalities for such projects shall not exceed fifty million dollars ($50,000,000) in the aggregate.

Any contract concerning an eligible state assisted project shall include, in substance, the following provisions:

1. An estimate of the reasonable cost of the eligible state assisted project;

2. An agreement by the board to pay to the municipality, during the progress of construction
or following completion of construction, as may be agreed upon by the parties, an amount which at least equals the local share of the cost of construction of such projects as determined pursuant to applicable federal and state laws and regulations;

(3) An agreement by the municipality (i) to proceed expeditiously with, and complete, such project, (ii) to commence operation of such project on completion thereof, and to properly operate and maintain such project in accordance with applicable provisions of law, (iii) to provide for payment of the municipality’s share of the cost of such project (iv) if appropriate, to apply for and make reasonable efforts to secure federal assistance, other than that available pursuant to Title II of the Federal Water Pollution Control Act, for such project and to secure the approval of the board before applying for federal assistance in order to maximize the amounts of such assistance received or to be received for all eligible state assisted projects.

(d) The board may make direct grants to any municipality or by contract or otherwise undertake plans, surveys, research, development and studies necessary, convenient or desirable to the effectuation of the purposes and powers of the board pursuant to this division and to prepare recommendations with regard thereto, including the preparation of comprehensive statewide or areawide studies and reports on the collection, treatment and disposal of waste under a comprehensive cooperative plan.

(e) The board may from time to time with the approval of the committee transfer moneys in the fund to the State Water Quality Control Fund to be available for loans to public agencies pursuant to Chapter 6 (commencing with Section 13400) of this division.

(f) As much of the moneys in the fund as is necessary shall be used to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code.

(g) The board may adopt rules and regulations governing the making and enforcing of contracts pursuant to this section.

• 13963. Obligations of the state

All bonds herein authorized, which shall have been duly sold and delivered as herein provided, shall constitute valid and legally binding general obligations 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 and interest thereon.

There shall be collected annually in the same manner and at the same time as other state revenue is collected such a sum, in addition to the ordinary revenues of the state, as shall be required to pay the principal and interest on said bonds as herein provided, and it is hereby made the duty of all officers charged by law with any duty in regard to the collection of said revenue, to do and perform each and every act which shall be necessary to collect said additional sum.

All money deposited in the fund which has been derived from premium and accrued interest on bonds sold shall be available for transfer to the General Fund as a credit to expenditures for bond interest.

• 13964. Reimbursement of the general fund

All money deposited in the fund pursuant to any provision of law requiring repayments to the state for assistance financed by the proceeds of the bonds authorized by this chapter shall be available for transfer to the General Fund. When transferred to the General Fund such money shall be applied as a reimbursement to the General Fund on account of principal and interest on the bonds which has been paid from the General Fund.

• 13965. Appropriations from general fund

There is hereby appropriated from the General Fund in the State Treasury for the purpose of this chapter such an amount as will equal the following:

(a) Such sum annually as will be necessary to pay the principal of and the interest on the bonds issued and sold pursuant to the provisions of this chapter, as said principal and interest become due and payable.

(b) Such sum as is necessary to carry out the provisions of Section 13966, which sum is appropriated without regard to fiscal years.
13966. Withdrawals from general fund

For the purpose of carrying out the provisions of this chapter, the Director of Finance may by executive order authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which the committee has by resolution authorized to be sold for the purpose of carrying out this chapter. Any amounts withdrawn shall be deposited in the fund and shall be disbursed by the board in accordance with this chapter. Any moneys made available under this section to the board shall be returned by the board to the General Fund from moneys received from the sale of bonds sold for the purpose of carrying out this chapter.

13966.5. Accounts

Notwithstanding any other provision of this bond act, or of 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), if the Treasurer sells bonds pursuant to this bond act 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, the Treasurer may maintain separate accounts for the bond proceeds invested and 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.

13967. Issuance of bonds

Upon request of the board, supported by a statement of the proposed arrangements to be made pursuant to Section 13962 for the purpose therein stated, the committee shall determine whether or not it is necessary or desirable to issue any bonds authorized under this chapter in order to make such arrangements, and if so, the amount of bonds then to be issued and sold. Successive issues of bonds may be authorized and sold to make such arrangements progressively, and it shall not be necessary that all of the bonds herein authorized to be issued shall be sold at any one time.

13968. Sale of bonds

The committee may authorize the State Treasurer to sell all or any part of the bonds herein authorized at such time or times as may be fixed by the State Treasurer.

13969. Proceeds

All proceeds from the sale of bonds, except those derived from premiums and accrued interest, shall be available for the purpose provided in Section 13962 but shall not be available for transfer to the General Fund to pay principal and interest on bonds. The money in the fund may be expended only as herein provided.

Chapters 13 & 14 are omitted. They may be consulted at http://www.leginfo.ca.gov/calaw.html

CHAPTER 15. CLEAN WATER BOND LAW OF 1984

13999. Short title

This chapter shall be known and may be cited as the Clean Water Bond Law of 1984.

13999.1. Legislative findings

The Legislature finds and declares as follows:

(a) Clean water is essential to the public health, safety, and welfare.
(b) Clean water fosters the beauty of California’s environment, the expansion of industry and agriculture, maintains fish and wildlife, and supports recreation.
(c) California’s abundant lakes and ponds, streams and rivers, coastline, and groundwater are threatened with pollution, which could threaten public health and impede economic and social growth if left unchecked.
(d) The state’s growing population has increasing needs for clean water supplies and adequate treatment facilities.
(e) It is of paramount importance that the limited water resources of the state be protected from pollution, conserved, and reclaimed whenever possible to ensure continued economic, community, and social growth.

(f) The chief cause of water pollution is the discharge of inadequately treated waste into the waters of the state.

(g) Local agencies have the primary responsibility for construction, operation, and maintenance of facilities to cleanse our waters.

(h) Rising costs of construction and technological changes have pushed the cost of constructing treatment facilities beyond the reach of local agencies alone.

(i) Because water knows no political boundaries, it is desirable for the state to contribute to construction of these facilities in order to meet its obligations to protect and promote the health, safety, and welfare of its people and environment.

(j) Voluntary, cost-effective capital outlay water conservation programs can help meet the growing demand for clean water supplies.

(k) (1) It is the intent of this chapter to provide necessary funds to ensure the full participation by the state under the federal Clean Water Act (33 U.S.C. Sec. 1251 et seq.) and any acts amendatory thereof or supplementary thereto.

(2) It is also the intent of this chapter to provide special assistance to small communities to construct facilities necessary to eliminate water pollution and public health hazards.

(3) It is the further intent of this chapter to provide funds for state participation in the financing of the development and implementation of programs and systems for water reclamation.

(4) It is the further intent of this chapter to provide funds for voluntary, cost-effective capital outlay water conservation programs cooperatively carried out by public agencies and the department.

- 13999.2. Definitions

As used in this chapter, and for purposes of this chapter as used 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), the following words shall have the following meanings:

(a) "Committee" means the Clean Water Finance Committee created by Section 13999.4.

(b) "Board" means the State Water Resources Control Board.

(c) "Fund" means the 1984 State Clean Water Bond Fund.

(d) "Municipality" shall have the same meaning as in the federal Clean Water Act (33 U.S.C. Sec. 1251 et seq.) and shall also include the state or any agency, department, or political subdivision thereof.

(e) "Treatment works" shall have the same meaning as in the federal Clean Water Act (33 U.S.C. Sec. 1251 et seq.).

(f) "Construction" shall have the same meaning as in the federal Clean Water Act (33 U.S.C. Sec. 1251 et seq.).

(g) "Eligible project" means a project for the construction of treatment works which is all of the following:

(1) Necessary to prevent water pollution.

(2) Eligible for federal assistance, whether or not federal funds are then available.

(3) Certified by the board as entitled to priority over other treatment works, and which complies with applicable water quality standards, policies, and plans.

(h) "Eligible water reclamation project" means a water reclamation project which is cost-effective when compared to the development of other new sources of water, and for which no federal assistance is currently available. These projects or activities shall comply with applicable water quality standards, policies, and plans.

(i) "Federal assistance" means funds available to a municipality, either directly or through allocation by the state, from the federal government to construct treatment works pursuant to the federal Clean Water Act.

(j) "Small community" means a municipality with a population of 5,000 persons or less, or a reasonably isolated and divisible segment of a larger municipality encompassing 5,000 persons or less, with a financial hardship as defined by the board.

(k) "Supplemental state assistance" means a grant given to a qualifying small community, in addition to the normal federal and state contributions, to reduce the local share of a project.
13999.4. Committee created

There shall be a Clean Water Finance Committee consisting of the Governor or his designated representative, the Controller, the Treasurer, the Director of Finance, and the Executive Director of the State Water Resources Control Board. The Clean Water Finance Committee shall be the "committee" as that term is used in the State General Obligation Bond Law.

13999.5. Committee powers

(a) The committee is hereby authorized and empowered to create a debt or debts, liability or liabilities, of the State of California, in the aggregate amount of three hundred twenty-five million dollars ($325,000,000), in the manner provided in this chapter. The debt or debts, liability or liabilities, shall be created for the purpose of providing the fund to be used for the object and work specified in this section and in Sections 13999.6, 13999.8, 13999.9, 13999.10, 13999.11, and 13999.14.

(b) The board is authorized to enter into contracts with municipalities having authority to construct, operate, and maintain treatment works and reclamation projects, for grants and loans to the municipalities to aid in the construction of eligible projects and eligible water reclamation projects and may adopt rules and regulations necessary to carry out the provisions of this chapter.

(c) As approved by the Legislature annually in the Budget Act, the board may, by contract or otherwise, undertake plans, surveys, research, development, and studies necessary, convenient, or desirable to carry out the purposes of this division, and may prepare recommendations with regard thereto, including the preparation of comprehensive statewide or areawide studies and reports on the collection, treatment, and disposal of waste under a comprehensive cooperative plan.

(d) As approved by the Legislature annually in the Budget Act, the board may expend bond funds necessary for administration of this chapter.

(e) Not more than 5 percent of the total amount of the bonds authorized to be issued under this chapter may be used for purposes of subdivisions (c) and (d).
(f) As approved by the Legislature annually in the Budget Act, the department may direct grants and loans to any public agency or, by contract or otherwise, undertake plans, surveys, research, development, and studies necessary, convenient, or desirable to carry out voluntary, cost-effective capital outlay water conservation programs.

(g) The board may expend funds necessary to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code.

* 13999.6. General obligation; revenue

All bonds which have been duly sold and delivered constitute valid and legally binding general obligations of the State of California, and the full faith and credit of the State of California is pledged for the punctual payment of both principal and interest.

There shall be collected annually in the same manner, and at the same time as other state revenue is collected, the sum, in addition to the ordinary revenues of the state, required to pay the principal and interest on the bonds. It is the duty of all officers charged by law with any duty in regard to the collection of that revenue to perform each and every act which is necessary to collect this additional sum.

All money deposited in the fund which has been derived from premium and accrued interest on bonds sold is available for transfer to the General Fund as a credit to expenditures for bond interest.

* 13999.7. The State General Obligation Bond Law adopted

The State General Obligation Bond Law is adopted for the purpose of the issuance, sale, and repayment of, and other matters with respect to, the bonds authorized by this chapter. The provisions of that law are included in this chapter as though set out in full in this chapter, except that, notwithstanding any provision in the State General Obligation Bond Law, the bonds authorized under this chapter shall bear the rates of interest, or maximum rates, fixed from time to time by the Treasurer with the approval of the committee. The maximum maturity of the bonds shall not exceed 50 years from the date of the bonds or from the date of each respective series.

The maturity of each respective series shall be calculated from the date of the series.

* 13999.8. Appropriations

(a) The sum of two hundred fifty million dollars ($250,000,000) of the money in the fund shall be deposited in the Clean Water Construction Grant Account and is appropriated for grants and loans to municipalities to aid in construction of eligible projects and the purposes set forth in this section.

(b) If the federal Clean Water Act authorizes a federal loan program for providing assistance for construction of treatment works, which requires state matching funds, the board may establish a State Water Pollution Control Revolving Fund to provide loans in accordance with the federal Clean Water Act. The board, with the approval of the committee, may transfer funds from the Clean Water Construction Grant Account to the revolving fund for the purposes of meeting federal requirements for state matching funds.

(c) Any contract entered into pursuant to this section may include such provisions as may be determined by the board, provided that any contract concerning an eligible project shall include, in substance, all of the following provisions:

1. An estimate of the reasonable cost of the eligible project.

2. An agreement by the board to pay to the municipality, during the progress of construction or following completion of construction as agreed upon by the parties, an amount which equals at least 121/2 percent of the eligible project cost determined pursuant to federal and state laws and regulations.

3. An agreement by the municipality to proceed expeditiously with, and complete, the eligible project; commence operation of the treatment works upon completion and to properly operate and maintain the works in accordance with applicable provisions of law; apply for and make reasonable efforts to secure federal assistance for the eligible project; secure the approval of the board before applying for federal assistance in order to maximize the assistance received in the state; and provide for payment of the municipality's share of the cost of the eligible project.
(d) The board may, with the approval of the committee, transfer moneys in the Clean Water Construction Grant Account to the State Water Quality Control Fund, to be made available for loans to public agencies pursuant to Chapter 6 (commencing with Section 13400).

(e) Grants may be made pursuant to this section to reimburse municipalities for the state share of construction costs for eligible projects which received federal assistance, but which did not receive an appropriate state grant due solely to depletion of the State Clean Water and Water Conservation Fund created pursuant to the Clean Water and Water Conservation Bond Law of 1978 (Chapter 12.5 (commencing with Section 13955)). Eligibility for reimbursement under this section is limited to the actual construction capital costs incurred.

(f) To the extent funds are available, if the federal share of construction funding under Title II of the federal Clean Water Act is reduced below 75 percent, municipalities otherwise eligible for a grant under this section shall also be entitled to a loan from the Clean Water Construction Grant Account of up to 121/2 percent of the eligible project cost.

(g) To the extent funds are available, if the federal Clean Water Act authorizes a federal loan program for providing assistance for construction of treatment works, the board may make those loans in accordance with the federal Clean Water Act and state law. The Legislature may enact legislation that it deems necessary to implement the state loan program.

(h) Notwithstanding any other provision of law, and to the extent funds are available, if federal funding under Title II of the federal Clean Water Act ceases, municipalities shall only be entitled to a loan from the Clean Water Construction Grant Account of 25 percent of the eligible project cost.

(i) All loans pursuant to this section are subject to all of the following provisions:

1. Municipalities seeking a loan shall demonstrate, to the satisfaction of the board, that an adequate opportunity for public participation regarding the loan has been provided.

2. Any election held with respect to the loan shall include the entire municipality except where the municipality proposes to accept the loan on behalf of a specified portion, or portions, of the municipality, in which case the referendum shall be held in that portion or portions of the municipality only.

3. Any loan made pursuant to this section shall be up to 25 years with an interest rate set annually by the board at 50 percent of the average interest rate paid by the state on general obligation bonds for the calendar year immediately preceding the year in which the loan agreement is executed.

4. The first thirty million dollars ($30,000,000) in principal and interest from loans made pursuant to this section shall be paid to the Water Reclamation Account. All remaining principal and interest from the loans shall be returned to the Clean Water Construction Grant Account for new obligations.

• 13999.9. Small communities

(a) The sum of forty million dollars ($40,000,000) of the money in the fund shall be deposited in the Small Communities Assistance Account and is appropriated for supplemental state assistance to small communities for construction of treatment works eligible for assistance under Title II of the federal Clean Water Act.

(b) Notwithstanding subdivision (c) of Section 13999.5, the board may make grants to small communities so that the combined federal and state grant is an amount up to 971/2 percent of pollution studies, the total estimated cost of planning, design, and construction determined in accordance with applicable state laws and regulations. No supplemental state assistance grant under this section shall be made for projects costing more than two million five hundred thousand dollars ($2,500,000) unless a finding is made by the board that a higher cost project is the most cost-effective solution to a water quality or public health problem.

(c) Any contract entered into pursuant to this section may include such provisions as may be determined by the board, provided that any contract shall include the provisions required by paragraphs (1) and (3) of subdivision (c) of Section 13999.8.

• 13999.10. Water Reclamation Account

(a) The sum of twenty-five million dollars ($25,000,000) of the money in the fund shall be deposited in the Water Reclamation Account and
is appropriated for loans to municipalities for eligible water reclamation projects which will provide water for beneficial uses.

The board may loan a municipality up to 100 percent of the total eligible costs of design and construction of a reclamation project.

(b) Any contract for an eligible water reclamation project entered into pursuant to this section may include such provisions as determined by the board and shall include both of the following provisions:

(1) An estimate of the reasonable cost of the eligible water reclamation project.

(2) An agreement by the municipality to proceed expeditiously with, and complete, the eligible water reclamation project; commence operation of the project in accordance with applicable provisions of law; provide for payment of the municipality's share of the cost of the project, including principal and interest on any state loan made pursuant to this section; and, if appropriate, apply for and make reasonable efforts to secure federal assistance, other than that available pursuant to the federal Clean Water Act, for the state-assisted project.

(c) Loan contracts may not provide for a moratorium on payments of principal or interest.

(d) (1) Any loans made from the Water Reclamation Account shall be for a period of up to 25 years. The interest rate for the loans shall be set at a rate equal to 50 percent of the interest rate paid by the state on the most recent sale of state general obligation bonds, with that rate to be computed according to the true interest cost method. When the interest rate so determined is not a multiple of one-tenth of 1 percent, the interest rate shall be set at the next higher multiple of one-tenth of 1 percent.

(2) All principal and interest from loans shall be returned to the Water Reclamation Account for new loans.

(e) Funds available under this section may be used for loans pursuant to subdivisions (f), (g), and (h) of Section 13999.8 if the Clean Water Construction Grant Account is depleted. All principal and interest on any such loans shall be repaid to the Water Reclamation Account.

(f) No single project may receive more than ten million dollars ($10,000,000) from the board.

13999.11. Water Conservation Account

(a) Ten million dollars ($10,000,000) of the money in the fund shall be deposited in the Water Conservation Account and shall be available for appropriation by the Legislature for loans to municipalities to aid in the conduct of voluntary, cost-effective capital outlay water conservation programs and the purposes set forth in this section. Notwithstanding subdivision (e) of Section 13999.5 and subdivision (f) of this section, all of the funds deposited in the Water Conservation Account by this subdivision shall be available for water conservation programs. None of the funds deposited in the Water Conservation Account by this subdivision shall be expended for costs of administration.

(b) Any contract entered into pursuant to this section may include provisions as may be determined by the department. However, any contract concerning an eligible, voluntary, cost-effective capital outlay water conservation program shall include, in substance, all of the following:

(1) An estimate of the reasonable cost and benefit of the program.

(2) An agreement by the public agency to proceed expeditiously with, and complete, the program.

(c) Loan contracts may not provide for a moratorium on payments of principal or interest.

(d) Any loans made from the Water Conservation Account shall be for a period of up to 25 years with an interest rate set annually by the board at 50 percent of the average interest rate paid by the state on general obligation bonds in the calendar year immediately preceding the year in which the loan agreement is executed. All principal and interest from loans shall be deposited in the Water Conservation Account for new obligations.

(e) No single project may receive more than five million dollars ($5,000,000) from the department.

(f) As approved by the Legislature annually in the Budget Act, the department may expend up to 5 percent of the funds in the Water Conservation Account for the administration of this section.
13999.12. No transfer to General Fund

Except as expressly provided in this chapter, no money deposited in the fund pursuant to any provision of law requiring repayments to the state for assistance financed by the proceeds of the bonds authorized by this chapter shall be available for transfer to the General Fund.

13999.13. Appropriation from General Fund

There is hereby appropriated from the General Fund in the State Treasury for the purpose of this chapter an amount equal to the sum of the following:

1. The sum necessary annually to pay the principal of and the interest on the bonds issued and sold pursuant to this chapter, as the principal and interest become due and payable.

2. The sum necessary to carry out Section 13999.14 which is appropriated without regard to fiscal years.

13999.14. Withdrawal from General Fund

For the purpose of carrying out this chapter, the Director of Finance may, by executive order, authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which the committee has authorized to be sold for the purpose of carrying out this chapter. Any amounts withdrawn shall be deposited in the fund and shall be disbursed by the board in accordance with this chapter. Any money made available under this section to the board or department shall be returned to the General Fund from money received from the sale of bonds. The withdrawals from the General Fund shall be returned to the General Fund with interest at the rate which would have otherwise been earned by those sums in the Pooled Money Investment Fund.

13999.15. Issuance of bonds

Upon request of the board or department, the committee shall determine whether or not it is necessary or desirable to issue bonds authorized under this chapter in order to make those arrangements, and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to make those arrangements progressively, and it shall not be necessary that all of the bonds authorized to be issued shall be sold at any one time.

13999.16. Sale of bonds

The committee may authorize the Treasurer to sell all or any part of the bonds at times fixed by the Treasurer.

13999.17. Rebate to federal government

(a) Notwithstanding any other provision of this chapter and to the extent permitted by federal and state law, the money in the fund may be used to rebate to the federal government all arbitrage profits required by the Federal Tax Reform Act of 1986 or any amendment thereof or supplement thereto. To the extent that the money in the fund may not be used for that purpose due to restraints of federal or state law, any rebates required shall be paid from the General Fund or from other sources as required by the Legislature.

(b) Notwithstanding any other provision of law, rule, or regulation, the board may enter into contracts, or procure those services and equipment, which 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 or the federal act.

13999.18. Treatment works in Mexico

Notwithstanding any other provision of this chapter, and as approved by the Legislature, the board may share in the cost of the construction of treatment works under subdivision (b) of Section 510 of the Federal Water Quality Act of 1987. That participation may be approved only if the board determines that treatment works in Mexico, in conjunction with any defensive treatment works constructed under the Federal Water Pollution Control Act, are not sufficient to protect the residents of the City of San Diego and surrounding areas, including Imperial County, from water pollution originating in Mexico. No project in which the board participates shall receive more than ten million dollars ($10,000,000) in loan proceeds from the board.
13999.19. Accounts for proceeds and earnings

Notwithstanding Section 13999.17 or any other provision of this bond act, or of 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), if the Treasurer sells bonds pursuant to this bond act 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, the Treasurer may maintain separate accounts for the bond proceeds invested and 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.

CHAPTER 17. CLEAN WATER AND WATER RECLAMATION BOND LAW OF 1988

Article 1. General provisions

14050. Short title

This chapter shall be known and may be cited as the Clean Water and Water Reclamation Bond Law of 1988.

14051. Legislative findings

The Legislature finds and declares as follows:

(a) Clean water is essential to the public health, safety, and welfare.

(b) Clean water fosters the beauty of California’s environment, the expansion of industry and agriculture, maintains fish and wildlife, and supports recreation.

(c) California’s abundant lakes and ponds, streams and rivers, coastline, and groundwater are threatened with pollution, which could threaten public health and impede economic and social growth if left unchecked.

(d) The state’s growing population has increasing needs for clean water supplies and adequate treatment facilities.

(e) It is of paramount importance that the limited water resources of the state be protected from pollution, conserved, and reclaimed whenever possible to ensure continued economic, community, and social growth.

(f) The chief cause of water pollution is the discharge of inadequately treated waste into the waters of the state.

(g) Local agencies have the primary responsibility for construction, operation, and maintenance of facilities to cleanse our waters.

(h) Rising costs of construction and technological changes have pushed the cost of constructing treatment facilities beyond the reach of many small communities.

(i) Because water knows no political boundaries, it is desirable for the state to contribute to construction of needed facilities in order to meet its obligations to protect and promote the health, safety, and welfare of its people and environment.

(j) The people of California have a primary interest in the development of facilities to reclaim water to supplement existing water supplies and to assist in meeting the future water needs of the state.

(k) A significant portion of the future water needs of California may be met by the use of reclaimed water.

(l) Local public agencies have the primary responsibility for the construction, operation, and maintenance of water reclamation facilities.

(m) Local public agencies need financial assistance to make cost-effective reclamation projects financially feasible.

(n) (1) It is also the intent of this chapter to provide special assistance to small communities to construct facilities necessary to eliminate water pollution and public health hazards.

(2) It is also the intent of this chapter to provide funds for the design and construction of eligible water reclamation projects and for the development and implementation of programs and activities that lead to increased use of reclaimed water in California.
• 14052. Definitions

As used in this chapter, the following words have the following meanings:

(a) "Board" means the State Water Resources Control Board.
(b) "Committee" means the Clean Water and Water Reclamation Finance Committee created by Section 14067.
(c) "Construction" has the same meaning as in the Federal Clean Water Act.
(d) "Eligible project" means a project for a small community for the construction of treatment works which is all of the following:
   (1) Necessary to prevent pollution.
   (2) Eligible for federal assistance pursuant to Title VI of the Federal Clean Water Act.
   (3) Certified by the board as entitled to priority over other treatment works, and complies with applicable water quality standards, policies, and plans.
(e) "Eligible reclamation project" means a water reclamation project which is cost-effective when compared with the cost of alternative new freshwater supplies, and for which no federal assistance is currently available. These projects shall comply with applicable water quality standards, policies, and plans.
(f) "Federal assistance" means funds available to a local agency pursuant to the Federal Clean Water Act.
(g) "Federal Clean Water Act" or "federal act" means the Federal Water Pollution Control Act (33 U.S.C. Sec. 1251 et seq.) and any acts amendatory thereof or supplementary thereto.
(h) "Fund" means the 1988 Clean Water and Water Reclamation Fund created pursuant to Section 14055.
(i) "Local public agency" means any city, county, district, joint powers authority, or any other local public body or political subdivision of the state created by or pursuant to state law and involved with water or waste water management.
(j) "Municipality" has the same meaning as in the Federal Clean Water Act and also includes the state or any agency, department, or political subdivision thereof.
(k) "Small community" means a municipality with a population of 3,500 persons or less, or a reasonably isolated and divisible segment of a larger municipality encompassing 3,500 persons or less, with a financial hardship as defined by the board.
(l) "State grant" means a grant given to a qualifying small community eligible for federal assistance under Title VI of the Federal Clean Water Act.
(m) "State Water Pollution Control Revolving Fund" means a revolving fund created under state law for the purpose of issuing loans for the construction of eligible treatment works in accordance with the federal act.
(n) "Treatment works" has the same meaning as in the Federal Clean Water Act.

Article 2. Clean Water and Water Reclamation Bond Program

• 14055. Fund proceeds

(a) The proceeds of bonds issued and sold pursuant to this chapter shall be deposited in the State Treasury to the credit of the 1988 Clean Water and Water Reclamation Fund, which is hereby created. There shall be established in the fund a Small Communities Grant Account for the purpose of implementing Section 14056 and a Water Reclamation Account for the purpose of implementing Section 14058.
(b) From time to time, the board may modify existing accounts in the fund, or may establish other accounts in the fund, and in all other bond funds administered by the board, which the board determines are appropriate or necessary for proper administration.

• 14056. Small Communities Grant Account

(a) The sum of twenty-five million dollars ($25,000,000) of the money in the fund shall be deposited in the Small Communities Grant Account and, notwithstanding Section 13340 of the Government Code, is hereby continuously appropriated for state grants to small communities for construction of treatment works eligible for assistance under Title VI of the federal act.
(b) The board may enter into grant contracts in accordance with this section with qualifying small communities having authority to construct, operate, and maintain treatment works to aid in the construction of eligible projects.
(c) The board may make grants to small communities in an amount on a sliding scale, based on a community's ability to pay, not to exceed 97 1/2 percent of the total estimated cost of pollution studies, planning, design, and construction determined in accordance with applicable state laws and regulations. Total state assistance under this section shall not exceed two million dollars ($2,000,000) for any single eligible project.

(d) Any contract entered into pursuant to this section may include such provisions as may be determined by the board, provided that any contract shall include the following provisions:

(1) An estimate of the reasonable cost of the eligible project.

(2) An agreement by the small community to proceed expeditiously with, and complete, the proposed eligible project, commence operation of the treatment works upon completion, and to properly operate and maintain the works in accordance with applicable provisions of law.

(e) Small communities eligible for a state grant may also apply for a loan from the State Water Pollution Control Revolving Fund for costs not covered by the grant.

- 14057. Guarantee Fund

The sum of ten million dollars ($10,000,000) of the money in the fund shall be available for transfer by the board to the Clean Water Bond Guarantee Fund and shall be available to the board to guarantee local agency bond issues pursuant to Article 2.5 (commencing with Section 13425) of Chapter 6. After January 1, 1990, the board may transfer any funds in the Clean Water Bond Guarantee Fund which have not been committed to guaranteeing local agency bond issues to the 1988 Clean Water and Water Reclamation Fund.

- 14058. Water Reclamation Account

(a) The sum of thirty million dollars ($30,000,000) of the money in the fund shall be deposited in the Water Reclamation Account and, notwithstanding Section 13340 of the Government Code, is hereby continuously appropriated to the board for the purposes of this section.

(b) The board may enter into contracts with local public agencies having authority to construct, operate, and maintain water reclamation projects, for loans to aid in the design and construction of eligible water reclamation projects. The board may loan up to 100 percent of the total eligible cost of design and construction of an eligible reclamation project.

(c) Any contract for an eligible water reclamation project entered into pursuant to this section may include such provisions as determined by the board and shall include both of the following provisions:

(1) An estimate of the reasonable cost of the eligible water reclamation project.

(2) An agreement by the local public agency to proceed expeditiously with, and complete, the eligible water reclamation project; commence operation of the project in accordance with applicable provisions of law, and provide for the payment of the local public agency's share of the cost of the project, including principal and interest on any state loan made pursuant to this section.

(d) Loan contracts may not provide for a moratorium on payments of principal or interest.

(e) Any loans made from the fund may be for a period of up to 20 years. The interest rate for the loans shall be set at a rate equal to 50 percent of the interest rate paid by the state on the most recent issue of state general obligation bonds, with that rate to be computed according to the true interest cost method. When the interest rate so determined is not a multiple of one-tenth of 1 percent, the interest rate shall be set at the next higher multiple of one-tenth of 1 percent.

(f) All money repaid to the state pursuant to any contract executed under this chapter shall be deposited in the Water Recycling Subaccount in the Clean Water and Water Recycling Account in the Safe Drinking Water, Clean Water, Watershed Protection, and Flood Protection Bond Fund created by Section 79130, for the purposes set forth in Article 4 (commencing with Section 79135) of Chapter 7 of Division 6.

- 14059. Administrative expense

As approved by the Legislature annually in the Budget Act, the board may expend for the administration of this chapter not more than 5
percent of the amount of the bonds authorized to be issued under this chapter.

- **14060. Board powers**

As approved by the Legislature annually in the Budget Act, the board may, by contract or otherwise, undertake plans, surveys, research, development, and studies necessary, convenient, or desirable to carry out the purposes of this division, and may prepare recommendations with regard thereto, including the preparation of comprehensive statewide or areawide studies and reports on water reclamation and the collection, treatment, and disposal of waste under a comprehensive cooperative plan.

- **14061. Rules, regulations, guidelines**

The board may adopt rules, regulations, and guidelines necessary or appropriate to carry out this chapter.

**Fiscal provisions**

- **14065. State obligation**

Bonds in the total amount of sixty-five million dollars ($65,000,000), exclusive of refunding bonds, or so much thereof as is necessary, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this chapter and to be used to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. 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 the principal and interest become due and payable.

- **14066. State General Obligation Bond Law incorporated in chapter**

The bonds authorized by this chapter 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 apply to the bonds and to this chapter and are hereby incorporated in this chapter as though set forth in full in this chapter.

- **14067. Clean Water and Water Reclamation Finance Committee created**

(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 chapter, the Clean Water and Water Reclamation Finance Committee is hereby created. For purposes of this chapter, the Clean Water and Water Reclamation Finance Committee is "the committee" as that term is used in the State General Obligation Bond Law. The committee consists of the Governor, the Controller, the Treasurer, the Director of Finance, and the Executive Director of the State Water Resources Control Board, or their designated representatives. A majority of the committee may act for the committee.

(b) For purposes of the State General Obligation Bond Law, the State Water Resources Control Board is designated the "board."

- **14068. Issuance of bonds**

Consistent with Section 602 of the federal act, the committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this chapter in order to carry out the actions specified in Sections 14056, 14057, 14058, 14059, and 14060, 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.

- **14069. Revenue**

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, and 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 which is necessary to collect that additional sum.
14070. Appropriation from General Fund

Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the State Treasury, for the purposes of this chapter, 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 chapter, as the principal and interest become due and payable.

(b) The sum which is necessary to carry out the provisions of Section 14071, appropriated without regard to fiscal years.

14071. Withdrawal from General Fund

For the purposes of carrying out this chapter, 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 which have been authorized by the committee to be sold for the purpose of carrying out this chapter. 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 for the purpose of carrying out this chapter.

14071.5. 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 purposes of carrying out this chapter. The amount of the request shall not exceed the amount of the unsold bonds which the committee has, by resolution, authorized to be sold for the purpose of carrying out this chapter. 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 by the board in accordance with this chapter.

14072. Transfer to General Fund

All money deposited in the fund which is derived from premium and accrued interest on bonds sold shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.

14073. Refunding bonds

The bonds may be refunded in accordance with Article 6 (commencing with Section 16780) of the State General Obligation Bond Law.

14074. Rebate to federal government

(a) Notwithstanding any other provision of this chapter and to the extent permitted by federal and state law, the money in the fund may be used to rebate to the federal government all arbitrage profits required by the Federal Tax Reform Act of 1986 or any amendment thereof or supplement thereto. To the extent that the money in the fund may not be used for that purpose due to restraints of federal or state law, any rebates required shall be paid from the General Fund or other sources as the Legislature may require.

(b) Notwithstanding any other provision of law, or rule or regulation, the board may enter into contracts, or procure those services and equipment, which 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 or the federal act.

14075. Proceeds

The Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of bonds authorized by this chapter 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 limitations imposed by that article.

14076. Accounts

Notwithstanding Section 14074 or any other provision of this bond act, or of 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), if the Treasurer sells bonds pursuant to this bond act 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, the Treasurer may maintain separate...
accounts for the bond proceeds invested and 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.

CHAPTER 22. GRAYWATER SYSTEMS

* 14875. Safe uses

This chapter applies to the construction, installation, or alteration of graywater systems for subsurface irrigation and other safe uses.

* 14875.1. Department defined

"Department" means the Department of Water Resources.

* 14876. Graywater defined

"Graywater" means untreated wastewater which has not been contaminated by any toilet discharge, has not been affected by infectious, contaminated, or unhealthy bodily wastes, and which does not present a threat from contamination by unhealthful processing, manufacturing, or operating wastes. Graywater includes wastewater from bathtubs, showers, bathroom washbasins, clothes washing machines, and laundry tubs but does not include wastewater from kitchen sinks or dishwashers.

* 14877. Graywater system defined

"Graywater system" means a system and devices, attached to the plumbing system for the sanitary distribution or use of graywater.

* 14877.1. Adoption of standards

(a) On or before January 1, 1997, the department, in consultation with the State Department of Health Services and the Center for Irrigation Technology at California State University, Fresno, shall adopt standards for the installation of graywater systems. In adopting these standards, the department shall consider, among other resources, "Appendix J," as adopted on September 29, 1992, by the International Association of Plumbing and Mechanical Officials, the graywater standard proposed for the latest edition of the Uniform Plumbing Code of the International Association of Plumbing and Mechanical Officials, the City of Los Angeles Graywater Pilot Project Final Report issued in November 1992, and the advice of the Center for Irrigation Technology at California State University, Fresno, on the installation depth for subsurface drip irrigation systems.

(b) The department shall include among the approved methods of subsurface irrigation, but shall not be limited to, drip systems.

(c) The department shall revise its graywater systems standards as needed.

* 14877.2. Compliance

A graywater system may be installed if the city or county having jurisdiction over the installation determines that the system complies with standards adopted by the department.

* 14877.3. Adoption of local standards

After a public hearing, a city or county may adopt, by ordinance, standards that prohibit the use of graywater or standards that are more restrictive than the standards adopted by the department, as appropriate for the local area.

CHAPTER 23. THE SAN JOAQUIN VALLEY DRAINAGE RELIEF ACT

Article 1. General provisions

* 14900. Short title

This chapter shall be known and may be cited as the San Joaquin Valley Drainage Relief Act.

* 14901. Legislative findings

The Legislature finds and declares as follows:

(a) A report on the San Joaquin Valley Drainage Program entitled, "A Management Plan
for Agricultural Subsurface Drainage and Related Problems on the Westside San Joaquin Valley," has identified 75,000 acres of irrigated agricultural lands that should be retired by the year 2040 primarily due to characteristics of low productivity, poor drainability, and high levels of selenium in shallow groundwater.

(b) Federal, state, and local water organizations and officials should consider the management plan and adopt those parts appropriate for their long-term strategy of contributing to the management or solution of the drainage problems of the west side of the San Joaquin Valley.

(c) The United States Department of the Interior and the State of California should jointly develop a technical assistance program to ameliorate the drainage problems.

(d) The people of the state are concerned with the continued leaching of harmful elements from these lands.

(e) Continued irrigation of these lands could create significant drainage and environmental problems.

(f) Implementing solutions to the drainage and environmental problems associated with these lands will be very costly.

(g) The department is responsible for water planning and development activities throughout the state, has participated in the development of the plan for the management of subsurface drainage problems, and shall take an active leadership role in implementing the plan, including the land retirement element of the plan.

(h) Local agencies have decisionmaking authority, and are subject to court judgments, and statutory and contractual obligations, relating to water use and distribution. The department shall coordinate its activities under this chapter with those local agencies.

(i) The federal government has ongoing statutory and contractual obligations to provide drainage service to the lands within the San Luis Unit of the Central Valley Project. The department shall recognize those obligations and shall coordinate land retirement activities with appropriate federal agencies.

(j) The Department of Fish and Game is responsible for the stewardship of the state’s fish and wildlife resources and the habitat on which they depend, and can offer its considerable expertise to the department on matters relating to the management of lands in accordance with this chapter and shall be consulted concerning the management of the lands acquired pursuant to this chapter and managed as fish and wildlife habitat.

(k) The Department of Conservation is responsible for administering programs to conserve the state’s agricultural lands and has information on the state’s soil and farmlands and shall be consulted for the purpose of identifying agricultural lands that may be acquired pursuant to this chapter.

• 14901.5. Legislative intent

(a) It is the intent of the Legislature that the initial funding for the administrative costs of the San Joaquin Valley Drainage Relief Program be appropriated by the Legislature for the 1993-94 fiscal year from the water quality program component of the Environmental Water Fund.

(b) It is the further intent of the Legislature that, upon full implementation of the program, the program shall become self-supporting.

• 14902. Definitions

Unless the context otherwise requires, the terms used in this chapter have the following meanings:

(a) "Fund" means the San Joaquin Valley Drainage Relief Fund.

(b) "Management plan" or "plan" means the management plan for agricultural subsurface drainage and related problems as described in the final report of the San Joaquin Valley Drainage Program, dated September 1990, described in subdivision (a) of Section 14901.

(c) "Program" means the San Joaquin Valley Drainage Relief Program.

(d) "Retirement land" means the lands recommended for retirement in the management plan, other irrigated agricultural lands characterized by low productivity, poor drainability, and high levels of dissolved selenium in shallow groundwater, or lands that contribute to agricultural subsurface drainage problems.
Article 2. The San Joaquin Valley Drainage Relief Program

* 14903. Establishment, regulations, purpose

(a) The San Joaquin Valley Drainage Relief Program is hereby established in the department.
(b) The department shall carry out the program and may develop, in consultation with the state board, the Department of Conservation, and the Department of Fish and Game, a land retirement demonstration program.
(c) The department may adopt regulations to carry out the program.
(d) The purpose of the program is to encourage the cessation of irrigation of retirement land and to otherwise assist in the resolution of the agricultural subsurface drainage problems in the San Joaquin Valley through the coordinated efforts of federal, state, and local agencies, nonprofit organizations, and private landowners who elect to participate in the program.

* 14904. Funding

The San Joaquin Valley Drainage Relief Fund is hereby created for purposes of the program.

* 14905. Interagency cooperation

The department may enter into agreements with the state board, the Department of Fish and Game, the Department of Conservation, possessors of water rights, and other appropriate public agencies and nonprofit organizations to provide for the purchase and management of retirement land and water pursuant to this chapter.

* 14906. Land management

Property acquired pursuant to this chapter shall be managed as upland habitat, wetlands, riparian habitat, or nonirrigated agricultural land, as appropriate. The department shall coordinate with the Department of Fish and Game to ensure that adequate funding is available for management of the retirement land and use of water for environmental purposes.

* 14907. Water sale or distribution

(a) Agreements to sell water that is conserved as a result of the retirement of land pursuant to this chapter to public agencies, nonprofit organizations, investor-owned water utilities, corporations, or persons shall carry out the intent of the Legislature set forth in subdivision (b) of Section 14901.5.

(b) (1) Agreements to distribute water that is conserved as a result of the retirement of land pursuant to this chapter shall maximize amounts for environmental purposes, including the restoration and enhancement of riparian habitat, wetlands, fisheries, and instream flows.

(2) It is the intent of the Legislature that water distributed pursuant to paragraph (1) be deemed contributions to a water resources mitigation bank, if established by the state, to meet state or federal requirements to dedicate water for environmental purposes.

(c) Up to one-third of the amount of water conserved as a result of the retirement of land pursuant to this chapter and not sold pursuant to subdivision (a) may be used by local public agencies for environmental purposes, including the restoration and enhancement of riparian habitat, wetlands, fisheries, instream flows, or replenishment of groundwater resources.

* 14907.5. Water rights

Notwithstanding any other provision of this chapter, the possessor of the water right determines the final disposition of the water.

* 14907.6. Participation

Participation in the program by local public agencies and landowners is voluntary and shall be undertaken in accordance with applicable statutory and regulatory requirements, court judgments, and contractual obligations.

* 14908. Fund management

The funds received from the sale of water pursuant to subdivision (a) of Section 14907 shall be deposited in the fund. Notwithstanding Section 13340 of the Government Code, money in the fund is continuously appropriated, without regard to fiscal years, to pay for the purchase of the title
to, or interests in, the retirement land from landowners who elect to participate in the program, for the management of that land, applicable charges and assessments for water and land, administrative costs, grants and loans made pursuant to Section 14913, and for related water transfer costs.

- 14909. Other financial support

The department may apply for, and accept, federal and state grants and receive gifts, donations, and other financial support from public and private sources to be deposited in the fund to carry out this chapter.

- 14910. Acquiring other interests

The department may acquire or accept the gift or dedication of fee title, easements, including conservation easements, leases, development rights, or other interests in retirement lands to carry out this chapter.

- 14911. Payments

The department may accept advance payments for future water deliveries undertaken pursuant to this chapter.

- 14912. Departmental authority

(a) The department may purchase, lease, rent, sell, exchange, or otherwise transfer any land, interest in land or water, or option acquired pursuant to this chapter.

(b) The proceeds from any lease, rental, sale, exchange, or transfer of land or water, or any interest therein, or option, shall be deposited in the fund.

(c) The department, in consultation with appropriate federal, state, and local agencies, shall determine the minimum acreage of contiguous land in which interests are needed to be acquired to carry out the purposes of this chapter with regard to drainage reduction. The determination required by this subdivision is exempt from Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(d) No interest in land is eligible for purchase unless the department determines that the purchase of the interest, by itself or together with other interest in land, is consistent with the minimum acreage determination made pursuant to subdivision (c).

(e) The rate of acquisition of title to, and interests in, retirement lands is within the discretion of the department, based on the availability of funds and other appropriate factors.

- 14913. Grants and loans

The department may, by contract or agreement, make grants or loans to local public entities, state agencies, or nonprofit organizations to carry out this chapter.

- 14914. Price reflective of benefit

The purchase price of any interest in land or water acquired pursuant to this chapter may reflect the benefit to the state of alleviating drainage problems in the San Joaquin Valley and the conversion of property to wildlife habitats.

- 14915. Price of water sold

The price of water conserved and sold pursuant to this chapter shall be determined by the department so as to carry out the intent of the Legislature set forth in subdivision (b) of Section 14901.5.

- 14916. Return to irrigated use

Purchase agreements entered into pursuant to this chapter may provide for the return of the property, that is the subject of the purchase, to irrigated agricultural use if affordable technological solutions to the drainage and environmental problems are identified and implemented.

- 14917. Economic considerations

In carrying out this chapter, the department shall consider the effects of purchases of property pursuant to this chapter on the overall economy of the local communities, including the impact on job opportunities and businesses.
14918. Coordination with C.V.P.

The department shall coordinate with the United States Department of the Interior regarding water distribution undertaken pursuant to this chapter in those areas served by the federal Central Valley Project.

14919. Reports to Legislature

The department shall prepare and submit a report to the Legislature on or before June 30, 1998, and every five years thereafter, relating to the implementation of this chapter, and the department shall include in the report an evaluation of the effectiveness of the program in resolving agricultural drainage problems in the San Joaquin Valley.

14920. Operative date

This chapter shall become operative on July 1, 1993.

SHELLFISH PROTECTION ACT OF 1993

14950. Short title

This chapter shall be known and may be cited as the Shellfish Protection Act of 1993.

14951. Legislative findings

The Legislature finds and declares all of the following:

(a) Commercial shellfish harvesting is a beneficial use of the waters of the state and, in addition, benefits the economy of the state through the creation of jobs.

(b) Pollution, from both point and nonpoint sources, currently threatens many of the state's commercial shellfish growing areas.

(c) In order to maintain the health, and encourage the expansion, of commercial shellfish harvesting within the state, it is necessary to protect the commercial shellfish growing areas from ongoing point and nonpoint sources of pollution.

(d) The regional boards whose jurisdictions include commercial shellfish growing areas shall have primary responsibility for the protection of commercial shellfish harvesting from the effects of point and nonpoint pollution sources.

14952. Commercial shellfish growing area

For the purposes of this chapter, a commercial shellfish growing area is an area certified pursuant to Section 112170 of the Health and Safety Code in which shellfish are grown and harvested.

14953. Technical advisory committee

(a) If a commercial shellfish growing area is threatened by point or nonpoint source pollution, as specified in Section 14954, the regional board shall form a technical advisory committee, within 90 days of the effective date of this act, devoted solely to the threatened area. A technical advisory committee shall be formed for any subsequently threatened area within 90 days of the date the threat is identified pursuant to Section 14954. The technical advisory committee shall advise and assist that board in developing a strategy for appropriate investigation and remediation pursuant to Sections 14955 and 14956 to reduce pollution affecting that area. The regional board shall give public notice of the formation of the technical advisory committee. All meetings of the technical advisory committee shall be public.

(b) For the purpose of subdivision (a), the technical advisory committee shall include both of the following:

(1) One commercial shellfish grower from the threatened area, one representative from the State Department of Health Services, one representative from the Department of Fish and Game, one representative from the California Coastal Commission, one representative from each category of potential pollution source, one representative from a local environmental group, and one representative from the local health department.

(2) Additional members and a chairperson appointed by the regional board.

(c) Members of the technical advisory committee established pursuant to subdivision (a) shall not receive a per diem or other compensation, and shall not be reimbursed for any expenses.
• 14954. “Threatened” conditions

For the purpose of Section 14953, a commercial shellfish growing area is threatened if any of the following applies:

(a) The State Department of Health Services downgrades the classification applicable to the commercial shellfish growing area.

(b) The commercial shellfish growing area is subjected to harvest closure for more than 30 days per calendar year during the previous three years.

(c) The State Department of Health Services classifies the commercial shellfish growing area as restricted.

(d) The regional board, the Department of Fish and Game, or the California Coastal Commission determines that the commercial shellfish growing area is threatened.

• 14955. Additional efforts

(a) The technical advisory committee shall review existing data to determine whether additional investigatory efforts are needed to identify the pollution sources that threaten the commercial shellfish growing area, the scope of the pollution sources, and the degree to which those sources threaten the commercial shellfish growing area.

(b) If the technical advisory committee determines pursuant to subdivision (a) that additional investigatory efforts are needed, the regional board shall develop, with the assistance of the technical advisory committee, a water quality investigation project for funding under Sections 205 and 319 of the federal Clean Water Act (33 U.S.C. Sec. 1251 et seq.; Secs. 1285 and 1329) or any other appropriate funding sources.

(c) Any water quality investigation project developed pursuant to subdivision (b) shall be limited to accomplishing that which is reasonably necessary for the regional board to gather sufficient data to determine the appropriate remedial actions.

(d) The regional board shall not undertake any investigatory efforts determined to be necessary pursuant to subdivision (a) unless the regional board determines that funding is available to carry out those efforts.

• 14956. Remedial action

(a) Once the nature, sources, scope, and degree of the pollution affecting a commercial shellfish growing area have been determined, the regional board, with the advice of the local technical advisory committee, shall order appropriate remedial action, including the adoption of best management practices, to abate the pollution affecting that area. The regional board shall monitor water quality in the threatened area during the implementation of pollution abatement measures to ensure that the measures are effective and shall provide the results of the monitoring to the technical advisory committee. The regional board shall give public notice of any actions proposed for adoption.

(b) If agricultural sources of pollution have been identified as contributing to the degradation of shellfish growing areas, the regional board shall invite members of the local agricultural community representing the type of agricultural discharge affecting the local shellfish growing area, the local resource conservation district, the local soil conservation service, the local agricultural stabilization and conservation service, the cooperative extension of the University of California, and affected shellfish growers to develop and implement appropriate short- and long-term remediation strategies that will lead to a reduction in the pollution affecting the commercial shellfish growing area.

• 14957. Rating proposals

When rating project proposals affecting shellfish growing areas for state and federal funding under Sections 205 and 319 of the federal Clean Water Act (33 U.S.C. Sec. 1251 et seq.; Secs. 1285 and 1329) or from other funding sources, the state board and regional boards shall give timely notice to the California Aquaculture Association and shall provide shellfish growers with the opportunity to comment on the following types of project proposals:

(a) Project proposals that seek to identify the nature, sources, scope, and degree of pollution threatening a commercial shellfish growing area.

(b) Project proposals that seek to reduce or eliminate the impact of point or nonpoint pollution that affects a commercial shellfish
growing area. Proposals under this subdivision shall include waste reclamation projects.

- 14958. Dissolving advisory committee

When a commercial shellfish area is no longer threatened, as specified in Section 14954, the regional board shall dissolve the technical advisory committee for that area. If the area is subsequently threatened, as specified in Section 14954, the regional board shall re-form the committee pursuant to Section 14953.
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