

Sustainable Groundwater Management Act **(SGMA)**



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Groundwater Management Program
State Water Resource Control Board

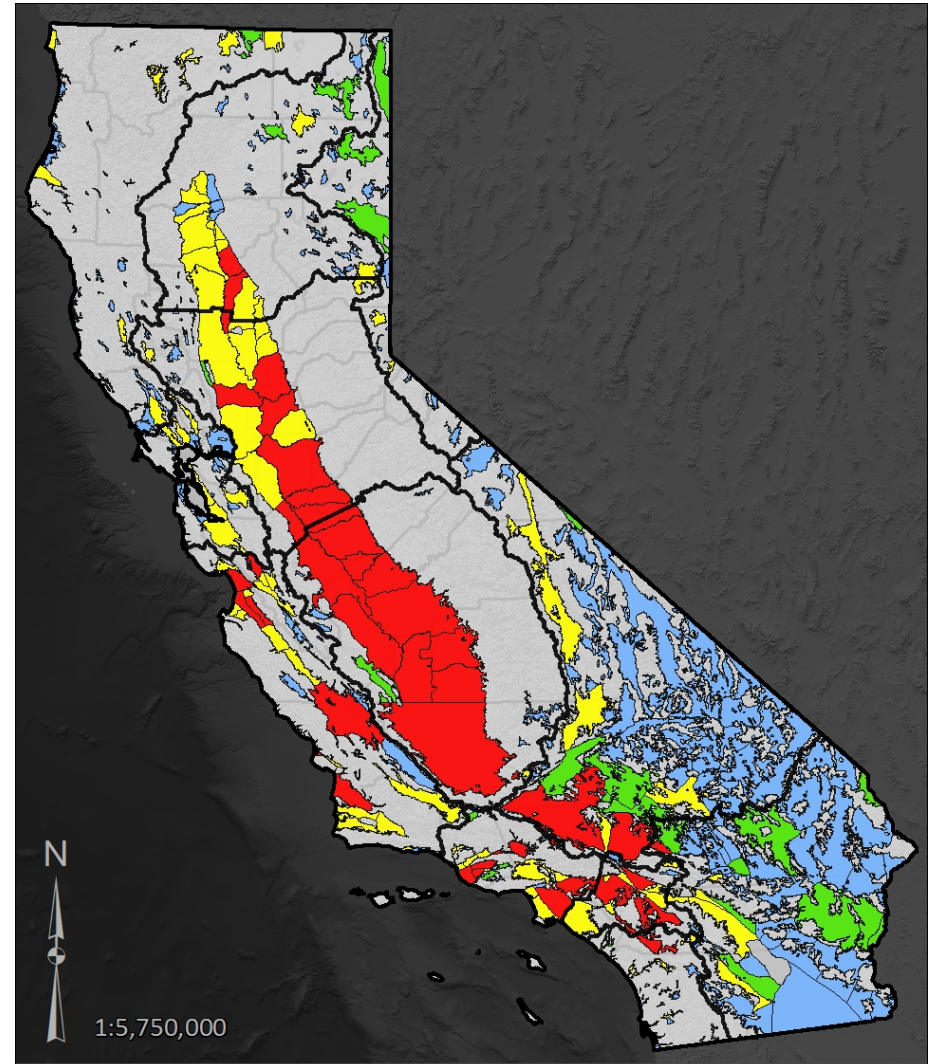
Send questions to groundwater_management@waterboards.ca.gov

Today's meeting – why are we here?

- The State Water Board is developing a fee schedule to recover its costs in implementing SGMA.
- The goal of today's meeting is to discuss our initial concepts and collect feedback that will help us move forward.
- Thank you for participating.

SGMA Basics

- Requires the formation of sustainability agencies that must adopt and implement sustainability plans
- Authorizes management tools for sustainability agencies
- Provides a 20-year timeframe for accomplishing goals
- Authorizes state intervention if locals are unable or unwilling to manage their basin.



State Water Board Role

The State Backstop:

- Data Manager
 - Extractors report water use to Board
 - Board collects and manages data
- Basin Manager
 - Develop interim plans
 - Directly manage groundwater resources

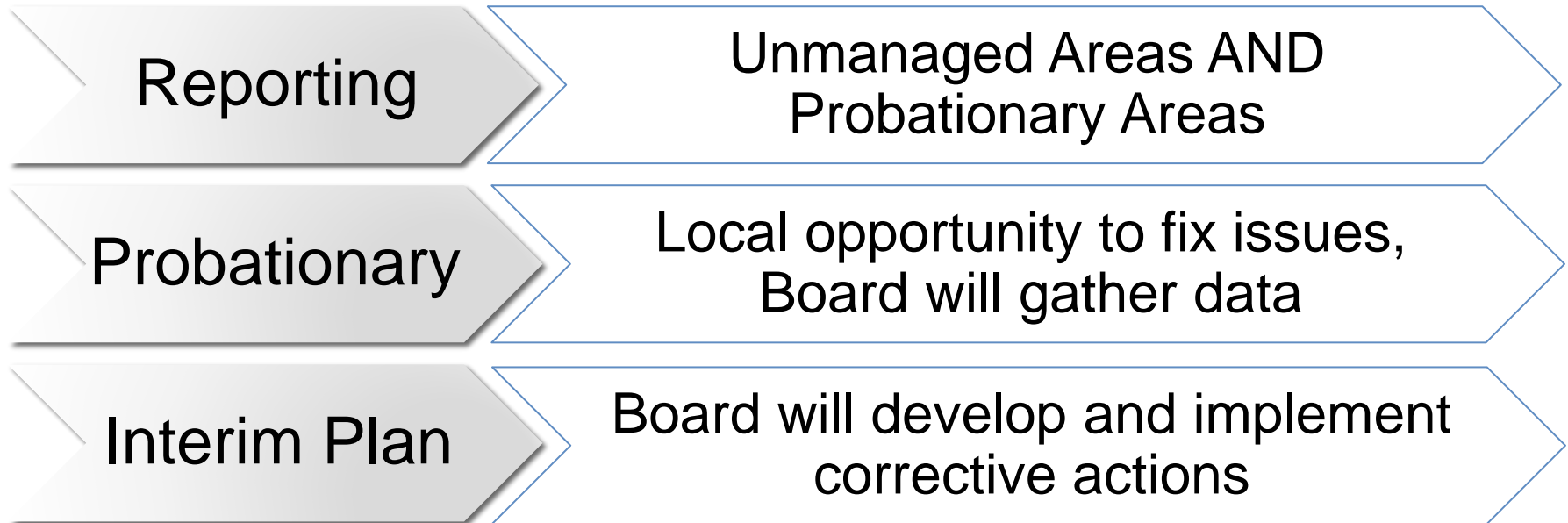
The “Backstop” Triggers

After	Intervention Trigger
June 30, 2017	Unmanaged Areas
Jan. 31, 2020	Basin in critical overdraft and either: 1) No plan 2) Inadequate plan
Jan. 31, 2022	1) No plan, or 2) Basin in long-term overdraft and inadequate plan
Jan. 31, 2025	Significant depletions of interconnected surface waters and inadequate plan

In all triggering events, intervention is the result of failure by locals to create a GSA or adopt and implement a GSP

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Progression of State Backstop



All of these activities will result in costs the State Water Board must recover through fees.

Fees Timeline

Scoping – summer 2016



Stakeholder outreach – summer/winter 2016



Draft regulations – early spring 2017



Fees adopted– late spring 2017



Ready by July 1, 2017

Regional Stakeholder Outreach Meetings

- Four small-group meetings
Tulare, Redding, Modesto, and San Luis Obispo
- Representatives from various stakeholder groups
Farm Bureau, Water Districts, Farmers, Ranchers, Cities, Counties, Environmental justice
- Topics that came up at the meetings:
 - Initial fee values too low to incentivize GSA formation.
 - Clarify what Board fees include.
 - Need for significant outreach to farmers and rural pumpers.
 - Simplicity in the fee structure important.

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Important to remember

Reporting

Probationary

Interim Plan

Fees

- Intervention only occurs where local efforts fail
- The State Water Board must develop fees that are sufficient to cover costs incurred¹
- Input during these stakeholder discussions will be valuable to fee development

¹Water Code §1529.5(c)

The State Water Board's SGMA Fees



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Send questions to groundwater_management@waterboards.ca.gov

Proposed Fee Schedule

1. Base Filing Fee

2a. Unmanaged Area Rate

2b. Probationary Basin Rate

2c. Interim Plan Rate

3. Special Studies Fee

4. Late Fee

These fees do not apply if locals form a GSA,
adopt a GSP and implement the GSP.

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1. Base Filing Fee

- Applies to any extractor that submits a groundwater extraction report to the Board.
- Cost is \$100 per well.

2a. Unmanaged Area Rate

- Applies to groundwater extractors in unmanaged areas.
- Rate varies by measurements method:
 - \$10 per acre-foot for metered extractions.
 - \$25 per acre-foot for unmetered extractions.
- Paid in addition to the base filing fee.
- Covers Board costs related to managing and enforcing report requirements.

2b. Probationary Basin Rate

- Applies to groundwater extractors in probationary basins.
- Cost is \$40 per acre-foot.
- Paid in addition to the base filing fee.
- Covers Board costs related to probationary basins.

2c. Interim Plan Rate

- Applies to groundwater extractors in a probationary basin where an interim plan must be developed.
- Cost is \$55 per acre-foot.
- Paid in addition to the base filing fee.
- Covers Board costs related to developing and implementing interim plan.

Example

Annual fee for a farm with one well, irrigating 150 acres with 300 acre-feet of groundwater per year:

Base Filing Fee **\$100**

+

Unmanaged Area		or	Probationary Basin	or	Interim Plan
Metered \$10/AF	Unmetered \$25/AF		\$40/AF		\$55/AF
\$3,000 (\$20 per acre)	\$7,500 (\$50 per acre)		\$12,000 (\$80 per acre)		\$16,500 (\$110 per acre)

3. Special Studies Fee

- Applies to groundwater extractors in a probationary basin where additional studies are necessary.
- Cost will be apportioned to extractors based on studies costs and the volume of groundwater extracted from the basin.
- Paid in addition to the base filing fee and the applicable probationary rate or interim plan rate.

4. Late Fee

- Applies to any extractor that files a report to the Board after the due date.
- Cost will be 25% of the total fee amount, accrued monthly.
- Paid in addition to all other applicable fees.

De Minimis Extractors

- Applies to parties extracting 2 acre-feet or less for domestic purposes.
- De minimis extractors are exempt from reporting in unmanaged areas.
- The State Water Board can require de minimis extractors to report in probationary basins, if necessary.¹
- Cost will be the base filing fee of \$100 per well, plus any applicable late fee.

¹Water Code §10735.2(c)(2)

Challenges to Developing SGMA Fees

1. Number of unmanaged areas and probationary basins.
2. Level of compliance with reporting requirements.

Discussion

- Establishing the Fee Structure
- Incorporating Incentives
- Fee Stability

Establishing the Fee Structure

1. What are other options the State Water Board should consider? Examples include a cap on the maximum fee amount, a larger base fee, or tiered rates.
2. Is it appropriate to scale the fees based on volumes of water used? Examples of other options include scaling by irrigated acreage, service area size, or crop type.

Incorporating Incentives

1. Will the late fee incentivize report submittal compliance?
2. Are there are other incentives the State Water Board should consider?
3. Will the metering discount for unmanaged areas incentivize more accurate data reporting?

Fee Stability

1. Is it appropriate to apply the Special Studies Fee to individual basins?
2. Do you have suggestions on how the State Water Board can recover programmatic costs resulting from activities in specific basins during probationary or interim plan periods?

Closing Thoughts



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