

-VIA ELECTRONIC MAIL-

March 19, 2021

MEMORANDUM

TO: Stacy Taylor, Mesa Water District

FROM: Dennis K. Albiani, Anthony Molina, California Advocates, Inc.

SUBJECT: March Report

The Legislature is off to a quick start as and has met its first milestone of the year – the bill introduction deadline. This year, neither house put a restriction on the number of bills their respective members could introduce, however, legislative leaders asked their members to use their best discretion upon introduction. Accordingly, there were a total of 2,369 bills introduced for the 2021 legislative session – 809 Senate Bills and 1,560 Assembly Bills – an average of 19 bills per member. Note that these figures only include bills; they do not include resolutions or constitutional amendments. And, of course, committees can still introduce bills past the deadline, and rule waivers can be granted.

Furthermore, policy committees have begun this week and will continue through the end of April. We are currently engaged in multiple conversations on key policy issues on behalf of Mesa Water District. As issues continue to be addressed with legislators and staff, policy committee consultants, and key stakeholders we will provide Mesa Water District with timely updates.

California State Senate Rule Change – “30 Day in Print”

President pro Tempore Toni Atkins and Republican Leader Scott Wilk spoke and agreed to suspend the 30 day in print rule for 2021, which will allow bills to be amended and heard prior to the 30-day waiting period. Both leaders commented that “they pursued this suspension to avoid the “traffic jam” of bills being heard at the end of the policy deadline period. “

A vote of the Senate to suspend the Constitution and the Joint Rules took place during the Senate Floor Session on Monday, February 22, 2021, and passed on a 32-4 vote.

ACWA Sponsored Legislation Update “Water and Sewer Service”

Mesa Water District continues to be very active on this legislation. Mesa Water District has taken a “support if amended” position on the bill and is leading a like-minded stakeholder coalition of water agencies on the issue. Mesa Water District has drafted amendments to the bill that do the following:

1. Require a notice as part of the existing mandated Prop. 218 mailing to ratepayers, including a website and social media posting by the agency, regarding the new time limitations when ratepayers can challenge the agency’s rates: and,
2. State that, to obtain the benefits of the optional validation act -- if the agency chooses to pursue such action -- a public notice must be provided by the agency.

The proposed amendments are intended to protect the interests and rights of all public water and sewer agency ratepayers including small not-for-profit private suppliers in California; and, strike a sensible balance between sufficiently limiting public water and sewer agencies' financial and legal exposure while providing transparency and responsibility to ratepayers including small not-for-profit private suppliers, so that they understand the new time restrictions for challenging an agency's rates if they believe they were not lawfully enacted.

Mesa Water District will continue to lead the coalition and work to get the proposed amendments included in SB 323. The bill will be heard in the Senate Governance and Finance Committee on March 25th.

SB 323 (Caballero) Local government: water or sewer service: legal actions.

This bill would authorize a local agency or interested person to bring a validation action in a superior court to determine the validity of a fee or charge for water and sewer service. The proposal would require an interested party bring an action within 120 days after the local agency adopts the fee or charge. Mesa Water District has requested amendments

Status: Senate Governance and Finance – March 25th

Position: Support if Amended

California Coastkeeper Alliance Sponsored Legislation “Clean Water Act”

This is another bill that has caught the attention of water districts, dischargers, and industry. We have met with the author's office, sponsors, and other stakeholders with questions and concerns. It is a very aggressive measure that may reduce the regional and state water board's ability to balance the interests of water quality improvement with cost-benefit. The author's office recently amended the bill on March 8, 2021, however, it's still very problematic.

AB 377 (Rivas) Water quality: impaired waters.

This bill would require all California surface waters to be fishable, swimmable, and drinkable by January 1, 2050. The bill would prohibit the state board and regional boards from authorizing an NPDES discharge, or a waste discharge requirement or waiver of a waste discharge requirement for a discharge, to surface water that causes or contributes to an exceedance of an applicable water quality standard in receiving waters, or from authorizing a best management practice permit term to authorize a discharge to surface water that causes or contributes to an exceedance of an applicable water quality standard in receiving waters.

Status: Assembly Environmental Safety and Toxic Materials

Position: Oppose

Bonds

We are actively engaged in both the Senate and Assembly bond conversations on behalf of Mesa Water District. We are participating in ACWA working groups and testifying in policy committees with the specific ask to include \$150 million for projects and competitive grants for brackish and seawater desalination projects.

SB 45 (Portantino) Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2022.

This bill would enact the Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2022, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$5,510,000,000 pursuant to the State General Obligation Bond Law to finance projects for a wildfire prevention, safe drinking water, drought preparation, and flood protection program.

Status: Senate Governance and Finance

Position: Support if Amended

AB 1500 (E. Garcia) Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022.

This bill would enact the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$6,700,000,000 pursuant to the State General Obligation Bond Law to finance projects for safe drinking water, wildfire prevention, drought preparation, flood protection, extreme heat mitigation, and workforce development programs.

Status: Double referred to Assembly Water, Parks, and Wildlife; and Assembly Natural Resources Committee

Position: TBD (Possible Support if Amended)

2021 Legislative Tracking with Positions

SB 222 (Dodd) Water Affordability Assistance Program.

This bill would establish the Water Affordability Assistance Fund in the State Treasury to help provide water affordability assistance, for both drinking water and wastewater services, to low-income ratepayers and ratepayers experiencing economic hardship in California. The bill would make moneys in the fund available upon appropriation by the Legislature to the state board to provide, as part of the Water Affordability Assistance Program established by the bill, direct water bill assistance, water bill credits, water crisis assistance, affordability assistance, and short-term assistance to public water systems to administer program components.

Status: Senate Energy, Utilities and Communications

Position: Oppose Unless Amended

SB 223 (Dodd) Discontinuation of residential water service.

The bill would require the State Water Resources Control Board (State Water Board) to provide technical assistance to very small community water systems. The bill would require the State Board to establish a bridge loan program to assist very small community water systems that may suffer revenue loss or delayed collection while complying with this chapter. To the extent funding is available, partial loan forgiveness would be made available to systems that offer debt forgiveness to low-income residents with past due accounts. This bill would also require an urban water supplier and an urban and community water system to update policies to comply this chapter by July 1, 2022.

Status: Senate Energy, Utilities and Communications

Position: Oppose Unless Amended

AB 361 (Rivas) Open meetings: local agencies: teleconferences.

This bill would authorize a local agency to use teleconferencing without complying with the teleconferencing requirements imposed by the Ralph M. Brown Act when a legislative body of a local agency holds a meeting for the purpose of declaring or ratifying a local emergency, during a declared state or local emergency, as those terms are defined, when state or local health officials have imposed or recommended measures to promote social distancing, and during a declared local emergency provided the legislative body makes certain determinations by majority vote.

Status: Assembly Local Government

Position: Support

AB 339 (Lee) State and local government: open meetings.

This bill would require all meetings, including gatherings using teleconference technology, to include an opportunity for all persons to attend via a call-in option or an internet-based service option that provides closed captioning services and requires both a call-in and an internet-based service option to be provided to the public. The bill would require all meetings to provide the public with an opportunity to comment on proposed legislation, as provided, and requires translation services to be provided for the 10 most-spoken languages, other than English, in California, and would require those persons commenting in a language other than English to have double the amount of time as those giving a comment in English, if time restrictions on public comment are utilized, except as specified. The bill would require instructions on how to attend the meeting to be posted at the time notice of the meeting is publicized.

Status: Introduced, pending referral.

Position: Oppose, if referred.

AB 703 (Rubio) Open meetings: local agencies: teleconferences.

This bill will eliminate the previously existing concept of “teleconference locations”; will revise existing law to ensure minimum standards for public participation; and will revise notice requirements to allow for greater public participation in teleconference meetings of local agencies. The bill does not require teleconferencing but modernizes existing law to ensure greater public participation in meetings of the legislative bodies of local agencies which choose to utilize teleconferencing.

Status: Assembly Local Government

Position: Support

Budget

As a brief update, the Senate Budget Sub 2 Committee on Natural Resources and Environment and the Assembly Budget Sub 3 Committee on Natural Resources and Environment, finished their first round of budget subcommittee hearings. Priority water items for the year were “held open” and will continue to be discussed through the “regular budget” timeline. There was no indication when the Budget subcommittees in either house will reconvene for their next meeting. The Legislature is scheduled to close out a host of agreed upon “early action” budget items before the Legislative Spring Recess begins. A complete list of those items has not been finalized.

Sustainable Groundwater

\$60 million one-time General Fund (\$30 million in 2020-21 and \$30 million in 2021-22) for grants to support local planning and implementation of Groundwater Sustainability Plans across critically over-drafted basins. **(Held Open)**

Protecting California's Rivers, Streams and Watersheds Program (Voluntary Agreements)

\$125 million in Prop 68 Funds for habitat restoration projects along the Sacramento and San Joaquin Rivers. **(Held Open)**

Safe and Affordable Drinking Water

\$130 million includes funding necessary to maintain full implementation of the Safe and Affordable Drinking Water Program. **(Held Open)**

Regulatory

- The Department of Water Resources released, "California's Groundwater" (Bulletin 118), the State's official publication on the occurrence and nature of groundwater in California. The publication defines the groundwater basin boundaries and summarizes groundwater information for each of the State's 10 hydrologic regions. California's Groundwater features current knowledge of groundwater resources including information on the location, characteristics, use, management status, and conditions of the State's groundwater. The publication also presents findings and recommendations that support the future management and protection of groundwater. The "California's Groundwater" (Bulletin 118) can be found [HERE](#).
- The Governor made the following appointments:
 - **Alexandre Makler, 53, of Berkeley, has been reappointed to the California Water Commission, where he has served since 2020.** Makler has been Senior Vice President, West Region at Calpine Corporation since 2014, where he has held multiple positions since 1999, including Vice President of Strategic Origination and Development and Vice President/Assistant General Counsel. He was an Associate at Pillsbury Winthrop from 1998 to 1999 and at Curtis, Mallet-Prevost, Colt & Mosle from 1995 to 1998.
 - **Jose Solorio, 50, of Santa Ana, has been appointed to the California Water Commission.** Solorio has been a Government Affairs Officer at Moulton Niguel Water District since 2018. He was a Santa Ana City Council Member from 2016 to 2020 and from 2000 to 2006, Senior Policy Advisor at Nossaman LLP from 2014 to 2017 and a California State Assemblymember for the 69th District from 2006 to 2012. Solorio was a Marketing Program Administrator and Government Relations Representative at the Orange County Transportation Authority from 1998 to 2006.
- Speaker Rendon made the following appointment:
 - **Veronica Padilla-Campos to the South Coast Air Quality Management District (South Coast AQMD) Governing Board.** Padilla-Campos has served as Executive Director of Pacoima Beautiful since 2013, a nonprofit dedicated to advancing environmental justice in the San Fernando Valley. Previously, she was co-executive director for ICON CDC, and served on the North Valley Area Planning Commission for the City of Los Angeles.

Important Dates and Deadlines for 2021

March:

- Mar. 25 – Spring Recess begins upon adjournment (J.R. 51(a)(2)).
- Mar. 31 – Cesar Chavez Day observed.

April

- Apr. 5 – Legislature reconvenes from Spring Recess.
- Apr. 30 – Last day for policy committees to meet and report to fiscal committees' fiscal bills introduced in their house.

May

- May 7 – Last day for policy committees to meet and report to the floor non-fiscal bills introduced in their house.
- May 14 – Last day for policy committees to meet prior to June 7.
- May 21 – Last day for fiscal committees to meet and report to the floor bills introduced in their house. Last day for fiscal committees to meet and report to the floor bills introduced in their house.
- May 31 – Memorial Day

June

- Jun. 1-4 – Floor session only. No committee may meet for any purpose except Rules Committee, bills referred pursuant to A.R. 77.2, and Conference Committees.
- Jun. 4 – Last day for each house to pass bills introduced in that house.
- Jun. 7 – Committee meetings may resume.
- Jun. 15 – Budget Bill must be passed by midnight.