



To: Members of the RCRC Board of Directors
From: Sidd Nag, Legislative Advocate
Date: April 26, 2021
Re: Water Issues Update

Summary

This memo provides an update on current issues involving California water policy.

Background

Deepening drought conditions in California are prompting the Newsom Administration and the Legislature to enact emergency measures and consider comprehensive policy in response. On April 21, 2021, the Newsom Administration announced a suite of drought response measures in an emergency proclamation. The Legislature is anticipated to respond with a policy package of its own this week, which may result in the introduction of additional drought-related legislation on top of several bills already under consideration. Federal authorities are also responding to Western drought, including by declaring drought disaster for fifty California counties. Congress may also respond by incorporating drought, water management and water resiliency projects into federal infrastructure proposals or other legislation.

Issue

Newsom Administration Issues Emergency Proclamation

Following a state of emergency declaration by the Mendocino County Board of Supervisors, the Newsom Administration declared a drought emergency for Mendocino and Sonoma Counties, and ordered state agencies to respond to worsening drought conditions statewide. Specifically, Governor Newsom's emergency proclamation suspended certain Public Resources Code authorities to allow the State Water Resources Control Board (State Water Board) to take emergency action in the Russian River watershed. Additionally, the proclamation directs several state agencies — including State Water Board, Department of Water Resources (DWR), and Department of Food and Agriculture (CDFA) — to accelerate funding for water supply enhancement and water conservation in communities throughout the state. The proclamation also directs DWR to work with well drillers, counties, groundwater sustainability agencies, and well owners to develop data to assist continued implementation of groundwater sustainability plans under the Sustainable Groundwater Management Act. The State Water Board is also directed by the proclamation to monitor local supply conditions across a variety of water systems.

While the Governor's proclamation declares an emergency for the Russian River watershed, it also directs state agencies to take certain actions in other state watersheds. Specifically, the proclamation directs CDFA to "work with federal agencies to assist Klamath Basin farmers and ranchers contending with reduced water supplies." Additionally, it directs several agencies, including the state's Delta agencies, to monitor and address potential salinity impacts to the Delta from lesser freshwater inflow. The order also directs the State Water Board and the California Department of Fish and Wildlife to work with federal agencies to manage temperature conditions for the preservation of fish in the Sacramento River downstream of Shasta Dam "while balancing water supply needs."

California Legislature Responds to Drought

The Legislature is expected to develop a policy package in response to worsening drought conditions in the coming days. Specifically, the Senate is expected to announce a package of proposals sometime in the last week of April. However, it is unknown whether the package will include new proposals in addition to legislation already in process this legislative session. It should be noted both houses are already considering several legislative proposals that establish new drought planning requirements and that would direct water agencies to more aggressively seek reductions in household water usage.

Two bills currently under consideration should be noted. Senate Bill 552 by Senator Robert Hertzberg (D – Van Nuys) creates new drought planning requirements on state agencies, water agencies, and counties. Specific to counties, the bill directs them to establish a drought task force (if not already established by a county) and incorporate specified drought response measures into a relevant county planning document. Assembly Bill 1434 by Assembly Member Laura Friedman (D – Burbank) would reduce the current 55 gallon per capita daily standard for indoor residential water use to a 48 gallon per capita daily standard starting in 2023, eventually reaching a 40 gallon standard by start of 2030.

General Obligation Bonds to Fund Resource Programs

The Legislature is considering a number of bond proposals to fund various resources-related programs, including drought response and water resources. The Senate is considering Senate Bill 45 (Portantino and Allen) — the Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2022, which would raise \$5.5 billion for resources and environmental quality related purposes, including flood protection, drought preparedness, habitat restoration, and safe drinking water infrastructure.

The Assembly is considering its own resources bond measure, Assembly Bill 1500 (E. Garcia). The Assembly's proposal is larger in scope and scale, raising \$6.7 billion in general obligation bond debt. Both proposals use previous resources bond measures as the basis for their framework, but both proposals have since undergone revision as stakeholders negotiate priorities with authors' offices.

By contrast, Assembly Bill 125 (R. Rivas) — a \$3.3 billion resources bond proposal — focuses the majority of its spending on agriculture and rural California-related priorities.

With higher-than-projected revenue for the FY 2021-22 State Budget due to increased tax collections in California, as well as federal monies from spending bills, it is possible that the Legislature may pause discussion of these bond measures until a later date.

Biden Administration Priorities

President Biden has focused the first hundred days of his administration on large legislative spending packages — the first involving coronavirus relief, and the more recent proposal involving infrastructure spending. While the details of Biden’s infrastructure proposal remain under intense negotiation, early drafts have indicated water and drought-related priorities will include new funding for water efficiency and water recycling investments, tribal water settlements, and dam safety spending. There is less certainty about whether the President’s proposal will include funding for new water infrastructure, but several western legislators, including Senator Michael Bennet (D- Colorado), chair of the Senate Finance Subcommittee on Energy, Natural Resources, and Infrastructure, are pushing for new water storage and conveyance projects to be prioritized.

On April 21, 2021, the Biden Administration, with Secretary of Agriculture Tom Vilsack and Secretary of Interior Deb Haaland, announced that key federal agencies and bureaus would work more closely with western states to address worsening drought conditions.

Staff Recommendation

Information only. RCRC staff will continue to engage in these policy areas as necessary to ensure the concerns of RCRC member counties are addressed.