

**Assembly Bill No. 1265**

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Passed the Assembly August 9, 2010

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*Chief Clerk of the Assembly*

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Passed the Senate August 9, 2010

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*Secretary of the Senate*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2010, at \_\_\_\_\_ o'clock \_\_\_\_M.

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*Private Secretary of the Governor*

CHAPTER \_\_\_\_\_

An act to amend Sections 79700, 79702, 79716, 79749, and 79749.5 of, and to amend the heading of Division 26.7 (commencing with Section 79700) of, the Water Code, and to amend Sections 2 and 3 of Chapter 3 of the Seventh Extraordinary Session of the Statutes of 2009, relating to the Safe, Clean, and Reliable Drinking Water Supply Act of 2012, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL’S DIGEST

AB 1265, Caballero. Safe, Clean, and Reliable Drinking Water Supply Act of 2012: surface storage projects: submission to voters.

(1) Existing law creates the Safe, Clean, and Reliable Drinking Water Supply Act of 2010, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$11,140,000,000 pursuant to the State General Obligation Bond Law to finance a safe drinking water and water supply reliability program.

This bill would rename the bond act as the Safe, Clean, and Reliable Drinking Water Supply Act of 2012, and would make conforming changes.

(2) The bond act, among other things, would continuously appropriate \$3,000,000,000 to the California Water Commission for specified water projects, including surface storage projects identified in the CALFED Bay-Delta Program Record of Decision, dated August 28, 2000, except as specified. Funds allocated for this purpose are authorized by the bond act to be provided to local joint powers authorities formed by irrigation districts and other local water districts and local governments located within the applicable hydrologic region to design, acquire, and construct those projects.

The bond act would also authorize the joint powers authorities to include in their membership governmental and nongovernmental partners that are not located within their respective hydrologic regions in financing the surface storage projects, including, as appropriate, cost share participation or equity participation.

This bill would delete the authorization for joint powers authorities to include nongovernmental partners in their

membership. The bill would prohibit the joint powers authorities from including in their membership any for-profit corporation, or mutual water company whose shareholders and members include a for-profit corporation or any other private entity.

(3) Existing law provides for the submission of the bond act to the voters at the November 2, 2010, statewide general election.

This bill would instead provide for the submission of the bond act to the voters at the November 6, 2012, statewide general election, and would require the Secretary of State to include the changes made by this bill when submitting the bond act to the voters at the November 6, 2012, statewide general election.

(4) This bill would declare that it is to take effect immediately as an urgency statute.

*The people of the State of California do enact as follows:*

SECTION 1. The heading of Division 26.7 (commencing with Section 79700) of the Water Code, as added by Section 1 of Chapter 3 of the Seventh Extraordinary Session of the Statutes of 2009, is amended to read:

DIVISION 26.7. THE SAFE, CLEAN, AND RELIABLE  
DRINKING WATER SUPPLY ACT OF 2012

SEC. 2. Section 79700 of the Water Code, as added by Section 1 of Chapter 3 of the Seventh Extraordinary Session of the Statutes of 2009, is amended to read:

79700. This division shall be known, and may be cited, as the Safe, Clean, and Reliable Drinking Water Supply Act of 2012.

SEC. 3. Section 79702 of the Water Code, as added by Section 1 of Chapter 3 of the Seventh Extraordinary Session of the Statutes of 2009, is amended to read:

79702. Unless the context otherwise requires, the definitions set forth in this section govern the construction of this division, as follows:

(a) “Bay Delta Conservation Plan” means the final plan prepared pursuant to the planning agreement regarding the Bay Delta Conservation Plan, dated October 6, 2006.

(b) “Bay-Delta Estuary” means the Delta, Suisun Bay, and Suisun Marsh.

(c) “CALFED Bay-Delta Program” means the program described in the Record of Decision dated August 28, 2000.

(d) “Commission” means the California Water Commission.

(e) “Committee” means the Safe, Clean, and Reliable Drinking Water Supply Finance Committee created by Section 79812.

(f) “Delta” means the Sacramento-San Joaquin Delta, as defined in Section 12220.

(g) “Delta conveyance facilities” means facilities that convey water directly from the Sacramento River to the State Water Project or the federal Central Valley Project pumping facilities in the south Delta.

(h) “Delta counties” means the Counties of Solano, Yolo, Sacramento, Contra Costa, and San Joaquin.

(i) “Delta Plan” has the meaning set forth in Section 85059.

(j) “Department” means the Department of Water Resources.

(k) “Director” means the Director of Water Resources.

(l) “Disadvantaged community” has the meaning set forth in subdivision (a) of Section 79505.5.

(m) “Economically distressed area” means a municipality with a population of 20,000 persons or less, a rural county, or a reasonably isolated and divisible segment of a larger municipality where the segment of the population is 20,000 persons or less, with an annual median household income that is less than 85 percent of the statewide median household income, and with one or more of the following conditions as determined by the department:

(1) Financial hardship.

(2) Unemployment rate at least 2 percent higher than the statewide average.

(3) Low population density.

(n) “Fund” means the Safe, Clean, and Reliable Drinking Water Supply Fund of 2012 created by Section 79716.

(o) “Integrated regional water management plan” has the meaning set forth in Section 10534.

(p) “Nonprofit organization” means an organization qualified to do business in California and qualified under Section 501(c)(3) of Title 26 of the United States Code.

(q) “Public agency” means a state agency or department, district, joint powers authority, city, county, city and county, or other political subdivision of the state.

(r) “Secretary” means the Secretary of the Natural Resources Agency.

(s) “State General Obligation Bond Law” means the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code).

SEC. 4. Section 79716 of the Water Code, as added by Section 1 of Chapter 3 of the Seventh Extraordinary Session of the Statutes of 2009, is amended to read:

79716. The proceeds of bonds issued and sold pursuant to this division shall be deposited in the Safe, Clean, and Reliable Drinking Water Supply Fund of 2012, which is hereby created in the State Treasury.

SEC. 5. Section 79749 of the Water Code, as added by Section 1 of Chapter 3 of the Seventh Extraordinary Session of the Statutes of 2009, is amended to read:

79749. (a) The funds allocated for the design, acquisition, and construction of surface storage projects identified in the CALFED Bay-Delta Record of Decision, dated August 28, 2000, pursuant to this chapter may be provided for those purposes to local joint powers authorities formed by irrigation districts and other local water districts and local governments within the applicable hydrologic region to design, acquire, and construct those projects.

(b) The joint powers authorities described in subdivision (a) may include in their membership governmental partners that are not located within their respective hydrologic regions in financing the surface storage projects, including, as appropriate, cost share participation or equity participation. Notwithstanding Section 6525 of the Government Code, the joint powers authorities described in subdivision (a) shall not include in their membership any for-profit corporation, or any mutual water company whose shareholders and members include a for-profit corporation or any other private entity. The department shall be an ex officio member of each joint powers authority subject to this section, but the department shall not control the governance, management, or operation of the surface water storage projects.

(c) A joint powers authority subject to this section shall own, govern, manage, and operate a surface water storage project, subject to the requirement that the ownership, governance,

management, and operation of the surface water storage project shall advance the purposes set forth in this chapter.

SEC. 6. Section 79749.5 of the Water Code, as added by Section 1 of Chapter 3 of the Seventh Extraordinary Session of the Statutes of 2009, is amended to read:

79749.5. (a) In approving the Safe, Clean, and Reliable Drinking Water Supply Act of 2012, the people were informed and hereby declare that the provisions of this chapter are necessary, integral, and essential to meeting the single object or work of the Safe, Clean, and Reliable Drinking Water Supply Act of 2012. As such, any amendment of the provisions of this chapter by the Legislature without voter approval would frustrate the scheme and design that induced voter approval of this act. The people therefore find and declare that any amendment of the provisions of this chapter by the Legislature shall require a vote of two-thirds of the membership in each house of the Legislature and voter approval.

(b) This section shall not govern or be used as authority for determining whether the amendment of any other provision of this act not contained in this chapter would constitute a substantial change in the scheme and design of this act requiring voter approval.

SEC. 7. Section 2 of Chapter 3 of the Seventh Extraordinary Session of the Statutes of 2009 is amended to read:

Sec.2. Section 1 of this act shall be submitted to the voters at the November 6, 2012, statewide general election, instead of the November 2, 2010, statewide general election, in accordance with provisions of the Government Code and the Elections Code governing the submission of a statewide measure to the voters.

SEC. 8. Section 3 of Chapter 3 of the Seventh Extraordinary Session of the Statutes of 2009 is amended to read:

Sec.3. (a) Section 1 of this act shall take effect only upon the approval by the voters of the Safe, Clean, and Reliable Drinking Water Supply Act of 2012, as set forth in that section at the November 6, 2012, statewide general election.

(b) (1) Notwithstanding Section 9051 of the Elections Code or any other provision of law, the Attorney General shall provide and return to the Secretary of State a ballot title and summary in 10-point type for all state ballot pamphlets of the November 6, 2012, statewide general election that contains the following title

and summary for Senate Bill 2, adopted by the Legislature at the 2009–10 Seventh Extraordinary Session:

“SAFE, CLEAN, AND RELIABLE DRINKING WATER SUPPLY ACT OF 2012” and in the same square under those words:

“To protect water quality and ensure safe, clean drinking water; meet the water supply needs of California residents, farms, businesses, expand water conservation and recycling; restore fish and wildlife habitat; reduce polluted runoff that contaminates rivers, streams, beaches, and bays; and protect the safety of water supplies threatened by earthquakes and other natural disasters; the State of California shall issue bonds totaling eleven billion one hundred forty million dollars (\$11,140,000,000) paid from existing state funds subject to independent, annual audits, and citizen oversight.”

(2) The language in paragraph (1) shall be the only language included in the title and summary for Senate Bill 2, adopted by the Legislature at the 2009–10 Seventh Extraordinary Session, and the Attorney General shall not supplement, subtract from, or revise that language.

(3) Notwithstanding any other provision of law, including Sections 9050, 9051, 13247, and 13262 of the Elections Code, the language in paragraph (1) for the title and summary shall also be the language included in the ballot label for the condensed statement of the ballot title, and the Attorney General shall not supplement, subtract from, or revise that language, except that the Attorney General may include the fiscal impact summary prepared pursuant to Section 9087 of the Elections Code and Section 88003 of the Government Code. The ballot label is the condensed statement of the ballot title and the financial impact summary.

(c) Opposite the square, there shall be left spaces in which the voters may place a cross in the manner required by law to indicate whether they vote for or against the act.

(d) Where the voting in the election is done by means of voting machines used pursuant to law in the manner that carries out the intent of this section, the use of the voting machines and the expression of the voters’ choices by means thereof are in compliance with this section.

SEC. 9. The Secretary of State shall submit the heading of Division 26.7 (commencing with Section 79700) of, and Sections 79700, 79702, 79716, 79749, and 79749.5 of, the Water Code, as amended by Sections 1 to 6, inclusive, of this act, in place of the heading of Division 26.7 (commencing with Section 79700) of, and Sections 79700, 79702, 79716, 79749, and 79749.5 of, the Water Code, as added by Section 1 of Chapter 3 of the Seventh Extraordinary Session of the Statutes of 2009, in order that they are voted upon as part of the Safe, Clean, and Reliable Drinking Water Supply Act of 2012, at the November 6, 2012, statewide general election.

SEC. 10. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to enable the Secretary of State to make the changes required by this act at the earliest possible date, and to ensure that the Safe, Clean, and Reliable Drinking Water Supply Act of 2012 is submitted to the voters at the November 6, 2012, statewide general election, it is necessary that this act take effect immediately.















Approved \_\_\_\_\_, 2010

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*Governor*