

Introduced by Senator SteinbergFebruary 27, 2009

An act to add Division 26.7 (commencing with Section 79700) to the Water Code, relating to financing a water supply reliability and water source protection program, by providing the funds necessary therefor through an election for the issuance and sale of bonds of the State of California and for the handling and disposition of those funds, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 735, as introduced, Steinberg. Safe, Clean, and Reliable Drinking Water Supply Act of 2010.

(1) Under existing law, various measures have been approved by the voters to provide funds for water supply and protection facilities and programs.

This bill would enact 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 \$9,785,000,000 pursuant to the State General Obligation Bond Law to finance a water supply reliability and water source protection program.

The bill would authorize the Department of Water Resources to establish and impose fees on water users in the state, including residential, commercial, industrial, and agricultural water users. The bill would require the State Board of Equalization to collect the fee pursuant to the Fee Collection Procedure Law. The bill would require the funds generated from the imposition of the fee to be deposited in the California Water Resources Fund, which the bill would establish in the State Treasury. The bill would continuously appropriate the moneys in the California Water Resources Fund to the department to

pay for certain administrative costs and refunds, and to reimburse the General Fund for payments made to finance the debt service on the bonds issued pursuant to the bond act.

The bill would provide for submission of the bond act to the voters at the November 2, 2010, statewide general election.

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

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.
 State-mandated local program: no.

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

1 SECTION 1. Division 26.7 (commencing with Section 79700)
 2 is added to the Water Code, to read:

3
 4 DIVISION 26.7. THE SAFE, CLEAN, AND RELIABLE
 5 DRINKING WATER SUPPLY ACT OF 2010

6
 7 CHAPTER 1. SHORT TITLE

8
 9 79700. This division shall be known and may be cited as the
 10 Safe, Clean, and Reliable Drinking Water Supply Act of 2010.

11
 12 CHAPTER 2. FINDINGS AND DECLARATIONS

13
 14 79701. The people of California find and declare all of the
 15 following:

16 (a) Safeguarding supplies of clean, safe drinking water to
 17 California’s homes, businesses, and farms is an essential
 18 responsibility of government, and critical to protecting the quality
 19 of life for Californians.

20 (b) Every Californian should have access to clean, safe, reliable
 21 drinking water.

22 (c) Providing adequate supplies of clean, safe drinking water is
 23 vital to keeping California’s economy growing and strong.

24 (d) Encouraging water conservation and recycling are
 25 commonsense methods to make more efficient use of existing
 26 water supplies.

27 (e) Protecting lakes, rivers, and streams from pollution, cleaning
 28 up polluted groundwater supplies, and protecting water sources

1 that supply the entire state are crucial to providing a reliable supply
2 of drinking water and protecting the state’s natural resources.

3
4 CHAPTER 3. DEFINITIONS
5

6 79702. Unless the context otherwise requires, the definitions
7 set forth in this section govern the construction of this division, as
8 follows:

9 (a) “Bay Delta Conservation Plan” means the final plan prepared
10 pursuant to the Planning Agreement regarding the Bay Delta
11 Conservation Plan, dated October 6, 2006.

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

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

16 (d) “Committee” means the Safe, Clean, and Reliable Drinking
17 Water Supply Finance Committee created by Section 79822.

18 (e) “Delta” means the Sacramento-San Joaquin Delta as defined
19 in Section 12220.

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

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

26 (h) “Department” means the Department of Water Resources.

27 (i) “Director” means the Director of Water Resources.

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

30 (k) “Fund” means the Safe, Clean, and Reliable Drinking Water
31 Supply Fund of 2010 established by Section 79720.

32 (l) “Integrated regional water management plan” means a
33 comprehensive plan for a defined geographic area, the specific
34 development and content of which shall be defined by guidelines
35 adopted by the department. At a minimum, an integrated regional
36 water management plan describes the major water-related
37 objectives and conflicts within a region, considers a broad variety
38 of water management strategies, and identifies the appropriate
39 combination of water demand and supply management alternatives,
40 water quality protections, and environmental stewardship actions

1 to provide long-term, reliable, and high-quality water supplies and
2 to protect the environment.

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

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

9 (o) “Secretary” means the Secretary of the Natural Resources
10 Agency.

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

15 (q) “Water resources fund” means the California Water
16 Resources Fund established by Section 79800.

17
18 CHAPTER 4. GENERAL PROVISIONS
19

20 79710. An amount that equals not more than 5 percent of the
21 funds allocated for a grant program pursuant to this division may
22 be used to pay the administrative costs of that program.

23 79710.5. Up to 10 percent of funds allocated for each program
24 funded by this division may be used to finance planning and
25 monitoring necessary for the successful design, selection, and
26 implementation of the projects authorized under that program.
27 This section shall not otherwise restrict funds ordinarily used by
28 an agency for “preliminary plans,” “working drawings,” and
29 “construction” as defined in the annual Budget Act for a capital
30 outlay project or grant project. Water quality monitoring shall be
31 integrated into the surface water ambient monitoring program
32 administered by the State Water Resources Control Board.

33 79711. Chapter 3.5 (commencing with Section 11340) of Part
34 1 of Division 3 of Title 2 of the Government Code does not apply
35 to the development or implementation of programs or projects
36 authorized or funded under this division other than Chapter 8
37 (commencing with Section 79740).

38 79712. (a) Prior to disbursing grants pursuant to this division,
39 each state agency that is required to administer a competitive grant
40 program under this division shall develop project solicitation and

1 evaluation guidelines. The guidelines may include a limitation on
2 the dollar amount of grants to be awarded.

3 (b) Prior to disbursing grants, the state agency shall conduct
4 three public meetings to consider public comments prior to
5 finalizing the guidelines. The state agency shall publish the draft
6 solicitation and evaluation guidelines on its Internet Web site at
7 least 30 days before the public meetings. One meeting shall be
8 conducted at a location in northern California, one meeting shall
9 be at a location conducted in the central valley, and one meeting
10 shall be conducted at a location in southern California. Upon
11 adoption, the state agency shall transmit copies of the guidelines
12 to the fiscal committees and the appropriate policy committees of
13 the Legislature.

14 79713. It is the intent of the people that the investment of public
15 funds pursuant to this division result in public benefits.

16 79714. The State Auditor shall annually conduct a
17 programmatic review and an audit of expenditures from the fund.
18 The State Auditor shall report its findings annually on or before
19 March 1 to the Governor and the Legislature, and shall make the
20 findings available to the public.

21 79715. Funds provided by this division shall not be used to
22 support or pay for the costs of environmental mitigation measures
23 or compliance obligations of any party except as part of the
24 environmental mitigation costs of projects financed by this division.
25 Funds provided by this division may be used for environmental
26 enhancements or other public benefits.

27 79716. Funds provided by this division shall not be expended
28 to pay the costs of the design, construction, operation, or
29 maintenance of Delta conveyance facilities. Those costs shall be
30 the responsibility of the agencies that benefit from the design,
31 construction, operation, or maintenance of those facilities.

32 79717. Nothing in this division shall limit or otherwise affect
33 the application of Sections 10505, 10505.5, 11128, 11460, 11461,
34 11462, and 11463 and Sections 12200 to 12220, inclusive.

35 79718. The Legislature may enact legislation necessary to
36 implement programs funded by this division.

37 79719. Eligible applicants under this division are public
38 agencies, nonprofit organizations, public utilities, and mutual water
39 companies. To be eligible for funding under this division, a project,
40 proposed by a public utility that is regulated by the Public Utilities

1 Commission or a mutual water company, shall have a clear and
2 definite public purpose and shall benefit the customers of the water
3 system.

4

5 CHAPTER 5. SAFE, CLEAN, AND RELIABLE DRINKING WATER
6 SUPPLY FUND OF 2009

7

8 79720. The proceeds of bonds issued and sold pursuant to this
9 division shall be deposited in the Safe, Clean, and Reliable
10 Drinking Water Supply Fund of 2010, which is hereby established.

11

12 CHAPTER 6. WATER SUPPLY RELIABILITY

13

14 79721. The sum of one billion five hundred million dollars
15 (\$1,500,000,000) shall be available, upon appropriation by the
16 Legislature, from the fund to the department for competitive grants
17 in accordance with Section 79722.

18 79722. (a) Except as provided in subdivision (f), the
19 department shall award grants to eligible projects that implement
20 an adopted integrated regional water management plan.

21 (b) An urban water supplier that does not prepare, adopt, and
22 submit its urban water management plan in accordance with the
23 Urban Water Management Planning Act (Part 2.6 (commencing
24 with Section 10610) of Division 6) is ineligible to receive funds
25 made available pursuant to Section 79721 until the urban water
26 management plan is prepared and submitted in accordance with
27 the requirements of that act.

28 (c) The department shall require a local cost share of not less
29 than 50 percent of the total costs of the projects. The department
30 may waive or reduce the cost-sharing requirement for projects that
31 directly benefit a disadvantaged community.

32 (d) Eligible projects are those included in adopted integrated
33 regional water management plans consistent with Part 2.2
34 (commencing with Section 10530) of Division 6.

35 (e) The funding provided in Section 79721 shall be allocated
36 to each hydrologic region as identified in the California Water
37 Plan in accordance with this subdivision. For the south coast
38 hydrologic region, the department shall establish three funding
39 areas that reflect the watersheds of San Diego County (designated
40 as the San Diego subregion), the Santa Ana River watershed and

1 southern Orange County (designated as the Santa Ana subregion),
2 and the Los Angeles and Ventura County watersheds (designated
3 as the Los Angeles subregion), and shall allocate funds to those
4 areas in accordance with this subdivision. The North and South
5 Lahontan hydrologic regions shall be treated as one area for the
6 purpose of allocating funds. The department may recognize
7 multiple integrated regional water management plans in each of
8 the areas allocated funding. Funds made available by this chapter
9 shall be allocated as follows:

10

11

12	(1) North Coast	\$70,000,000
13	(2) San Francisco Bay	\$150,000,000
14	(3) Central Coast	\$82,000,000
15	(4) Los Angeles subregion	\$210,000,000
16	(5) Santa Ana subregion	\$146,000,000
17	(6) San Diego subregion	\$108,000,000
18	(7) Sacramento River	\$103,000,000
19	(8) San Joaquin River	\$91,000,000
20	(9) Tulare/Kern	\$93,000,000
21	(10) North/South Lahontan	\$75,000,000
22	(11) Colorado River Basin	\$72,000,000
23	(12) Interregional	\$300,000,000

24

25

26 (f) Interregional funds may be expended directly or granted by
27 the department to address multiregional needs or state priorities,
28 including, but not limited to, any of the following:

29 (1) Investing in new water technology development and
30 deployment.

31 (2) Meeting state water recycling and water conservation goals.

32 (3) Adapting to climate change impacts.

33 (4) Reducing contributions to climate change.

34 (5) Other projects to improve statewide water management
35 systems.

36 (6) Other projects and activities designed to meet the needs of
37 disadvantaged communities, including technical and grant writing
38 assistance.

39 79723. (a) The sum of five hundred million dollars
40 (\$500,000,000) shall be available, upon appropriation by the

1 Legislature from the fund, to the department for grants and
 2 expenditures for the planning, design, and construction of local
 3 and regional drought relief projects that reduce the impacts of
 4 drought conditions, including, but not limited to, the impacts of
 5 reductions in Delta diversions. Projects shall be consistent with
 6 an adopted integrated regional water management plan and include
 7 the following types of projects:

8 (1) Water conservation and efficiency projects.

9 (2) Water recycling and related infrastructure.

10 (3) Stormwater capture.

11 (4) Groundwater cleanup.

12 (5) Local and regional conveyance projects that improve
 13 connectivity and water management.

14 (6) Other local and regional water supply reliability projects.

15 (b) Projects shall meet both of the following conditions:

16 (1) The project shall provide a sustainable water supply that
 17 does not contribute to groundwater overdraft or increase surface
 18 water diversions.

19 (2) The project shall be capable of being operational within two
 20 years of receiving the grant.

21 (c) Preference shall be given to applicants that can demonstrate
 22 substantial past and current investments in conservation and local
 23 water projects.

24 (d) The department shall require a cost share of not less than
 25 50 percent of total project costs from nonstate sources. The
 26 department may waive or reduce the cost share requirement for
 27 projects that directly benefit disadvantaged communities.

28

29 CHAPTER 7. DELTA SUSTAINABILITY

30

31 79730. (a) The Bay-Delta Estuary is a unique and irreplaceable
 32 combination of environmental and economic resources. Current
 33 management and use of the Delta is not sustainable, and results in
 34 a high level of conflict among various interests. Future Delta
 35 sustainability is threatened by changing hydrology due to climate
 36 change, water diversions, flood risk, seismic events, nonnative
 37 species, toxics, and other environmental problems. Future
 38 management of the Delta must improve Delta ecosystem health
 39 and improve the means of Delta water conveyance in order to
 40 protect drinking water quality, improve water supply reliability,

1 restore ecosystem health, and preserve agricultural and recreational
2 values in the Delta, while providing to counties and watersheds of
3 origin assurances that their priority to water resources will be
4 protected and that programs or facilities implemented or
5 constructed in the Delta will not result in redirection of
6 unmitigated, significant adverse impacts to the counties and
7 watershed of origin. Many sources of funding will be needed to
8 implement improved Delta management.

9 (b) This chapter provides state funding for public benefits
10 associated with projects needed to assist in the Delta's
11 sustainability as a vital resource for fish, wildlife, water quality,
12 water supply, agriculture, and recreation.

13 (c) In implementing this chapter, the Natural Resources Agency,
14 or another agency as may be established by statute to provide
15 oversight and management for Delta projects, taking into
16 consideration the Blue Ribbon Task Force established by Executive
17 Order No. S-17-06 and the Bay Delta Conservation Plan, shall
18 develop, in cooperation with the department, the Department of
19 Fish and Game, and the State Water Resources Control Board, a
20 comprehensive Delta sustainability program that balances the
21 coequal goals of ecosystem revitalization and environmentally
22 sustainable water supply, and that meets all of the following
23 criteria:

24 (1) Reduces impacts to native fish caused by the operation of
25 the export pumps and improves the operational flexibility and
26 ability of the State Water Project and the Central Valley Project
27 to provide the ecosystem and water supply benefits described by
28 this subdivision.

29 (2) Provides for habitat improvements for fish and wildlife in
30 the Delta, the recovery of listed species, and sustainable ecosystem
31 functions.

32 (3) Provides improved water supply reliability and conveyance
33 for the State Water Project and the Central Valley Project and for
34 water transfers.

35 (4) Improves the quality of the water pumped at state and federal
36 water pumping facilities to protect the public health and improves
37 the ability to manage salinity.

38 (5) Reduces vulnerability to seismic events in or near the Delta
39 and provides flexibility to manage uncertainties associated with
40 climate change and future fishery needs.

1 (6) Promotes ecosystem restoration, levy system integrity, water
2 quality, and sustainable communities, in the Delta.

3 (7) Facilitates wet year water storage for use in dry years.
4 79731. The sum of one billion nine hundred million dollars
5 (\$1,900,000,000) shall be available, upon appropriation by the
6 Legislature from the fund, for grants and direct expenditure, as
7 follows:

8 (a) Seven hundred million dollars (\$700,000,000) for projects,
9 including grants to Delta counties and cities within Delta counties,
10 that provide public benefits and support Delta sustainability
11 options. Eligible projects include projects that do any of the
12 following:

13 (1) Ensure that urban and agricultural water supplies derived
14 from the Delta, including water supplies used within the Delta, are
15 not disrupted because of catastrophic failures of Delta levees
16 resulting from earthquakes, floods, land sinking, rising ocean
17 levels, or other forces.

18 (2) Assist in preserving economically viable and sustainable
19 agriculture and other economic activities in the Delta.

20 (3) Improve the quality of drinking water derived from the Delta.

21 (4) Improve levee and flood control facilities and other vital
22 infrastructure necessary to protect Delta communities affected by
23 the implementation of this chapter.

24 (5) Provide physical improvements or other actions to create
25 waterflow and water quality conditions within the Delta to provide
26 adequate habitat and conditions for native fish and wildlife,
27 including projects that reduce the effect of local water supply
28 diversions on native aquatic species.

29 (6) Facilitate other projects that provide public benefits and
30 support Delta sustainability options approved by the Legislature,
31 including costs associated with planning, monitoring, and design
32 of alternatives, and project modifications and adaptations necessary
33 to achieve the goals of this chapter.

34 (b) One billion two hundred million dollars (\$1,200,000,000)
35 for projects to protect and enhance the sustainability of the Delta
36 ecosystem, including any of the following:

37 (1) Projects for the development and implementation of the Bay
38 Delta Conservation Plan consistent with Chapter 10 (commencing
39 with Section 2800) of Division 3 of the Fish and Game Code, of
40 covered species, and for native fishery restoration projects that are

1 consistent with the recommendations of the Blue Ribbon Task
2 Force established by Executive Order No. S-17-06. The projects
3 shall be implemented through a cooperative effort among
4 regulatory agencies, regulated and potentially regulated entities,
5 and affected parties, including state and federal water contractors,
6 and shall be consistent with other regional habitat planning efforts
7 within and adjacent to the Delta. These funds may be expended
8 for the preparation of environmental documentation and
9 environmental compliance that meets the requirements of Chapter
10 10 (commencing with Section 2800) of Division 3 of the Fish and
11 Game Code.

12 (2) Other projects to protect and restore native fish and wildlife
13 dependent on the Delta ecosystem, including the acquisition of
14 water rights, the removal or reduction of undesirable invasive
15 species, and projects both in and out of the Delta that improve the
16 ability to restore and recover native anadromous fish species.

17 (3) Projects to reduce greenhouse gas emissions from exposed
18 Delta soils.

19 (4) Projects that reduce impacts of mercury contamination of
20 the Delta and its watersheds, and remediation and elimination of
21 continuing sources of mercury contamination.

22 79732. The secretary, or other public official as may be
23 designated by statute, shall adopt the program described in
24 subdivision (c) of Section 79730 and submit it to the Legislature.
25 By April 1 of each year following the submission of the program,
26 the secretary, or another public official as may be designated by
27 statute, shall evaluate the progress in implementing the program,
28 determine if adequate progress is being made, and submit those
29 findings to the Legislature along with recommendations to improve
30 the implementation of the program.

31

32 CHAPTER 8. STATEWIDE WATER SYSTEM OPERATIONAL
33 IMPROVEMENT
34

35 79740. (a) For purposes of this chapter, “commission” means
36 the California Water Commission established in Article 2
37 (commencing with Section 150) of Chapter 2 of Division 1.

38 (b) Notwithstanding Section 162, the commission may make
39 the determinations, findings, and recommendations required of it
40 by this chapter independent of the views of the director. All final

1 actions by the commission in implementing this chapter shall be
2 taken by a majority of the members of the commission at a public
3 meeting noticed and held pursuant to the Bagley-Keene Open
4 Meeting Act (Article 9 (commencing with Section 11120) of
5 Chapter 1 of Part 1 of Division 3 of Title 2 of the Government
6 Code).

7 (c) The sum of three billion dollars (\$3,000,000,000) shall be
8 available, upon appropriation by the Legislature from the fund as
9 follows:

10 (1) To the commission for public benefits associated with water
11 storage projects that improve the operation of the state water
12 system, are cost effective, and provide a net improvement in
13 ecosystem and water quality conditions, in accordance with this
14 chapter. Funds authorized for, or made available to, the commission
15 pursuant to this chapter shall be expended only for the purposes
16 provided in this chapter, and shall not be subject to appropriation
17 or transfer by the Legislature or the Governor for any other
18 purpose.

19 (2) To the department, the Department of Fish and Game, and
20 the State Water Resources Control Board to carry out their
21 respective duties under this chapter.

22 (d) Projects shall be selected by the commission through a
23 competitive public process that ranks potential projects based on
24 the expected return for public investment as measured by the
25 magnitude of the public benefits provided, pursuant to criteria
26 established under this chapter.

27 (e) Any project constructed with funds provided by this chapter
28 shall be subject to Section 11590.

29 79741. Projects for which the public benefits are eligible for
30 funding under this chapter consist of any of the following:

31 (a) Surface storage projects identified in the CALFED Bay-Delta
32 Program Record of Decision, dated August 28, 2000, excluding
33 the expansion of the Shasta Reservoir.

34 (b) Groundwater storage projects and groundwater
35 contamination prevention or remediation projects that provide
36 water storage benefits.

37 (c) Conjunctive use and reservoir reoperation projects.

38 (d) Regional and local surface storage projects that improve the
39 operation of water systems in the state and provide public benefits.

1 79741.5. A project shall not be funded pursuant to this chapter
2 unless it provides measurable improvements to the Delta
3 ecosystem, including, but not limited to, measurable contributions
4 to Delta ecosystem improvements from the tributaries to the Delta.

5 79742. (a) Funds allocated pursuant to this chapter may be
6 expended solely for the following public benefits associated with
7 water storage projects:

8 (1) Ecosystem improvements, including changing the timing of
9 water diversions, improvement in flow conditions, temperature,
10 or other benefits that contribute to restoration of aquatic ecosystems
11 and native fish and wildlife, including those ecosystems and fish
12 and wildlife in the Delta.

13 (2) Water quality improvements in the Delta, or in other river
14 systems, that provide significant public trust resources, or that
15 clean up and restore groundwater resources.

16 (3) Flood control benefits, including, but not limited to, increases
17 in flood reservation space in existing reservoirs by exchange for
18 existing or increased water storage capacity in response to the
19 effects of changing hydrology and decreasing snow pack on
20 California's water and flood management system.

21 (b) For the purposes of this chapter, "public benefits" does not
22 include the costs of environmental mitigation measures or
23 compliance obligations.

24 79743. In consultation with the Department of Fish and Game,
25 the State Water Resources Control Board, and the department, the
26 commission shall develop and adopt, by regulation, methods for
27 quantification and management of public benefits described under
28 Section 79742 by December 15, 2010. The regulations shall include
29 the priorities and relative environmental value of ecosystem
30 benefits as provided by the Department of Fish and Game and the
31 priorities and relative environmental value of water quality benefits
32 as provided by the State Water Resources Control Board.

33 79744. (a) Except as provided under subdivision (c), no funds
34 allocated pursuant to this chapter may be allocated for a project
35 unless the commission approves the project based on the
36 commission's determination that all of the following have occurred:

37 (1) The commission has adopted the regulations specified in
38 Section 79743 and specifically quantified and made public the cost
39 of the public benefits associated with the project.

1 (2) The department has entered into a contract with each party
2 who will derive benefits, other than public benefits as defined in
3 Section 79742, from the project that ensures the party will pay its
4 share of the total costs of the project. The benefits available to a
5 party shall be consistent with that party's share of total project
6 costs.

7 (3) The department has entered into a contract with each public
8 agency identified in Section 79743 that administers the public
9 benefits, after that agency makes a finding that the public benefits
10 of the project for which that agency is responsible meet all the
11 requirements of this chapter, to ensure that the public contribution
12 of funds pursuant to this chapter achieves the public benefits
13 identified for the project.

14 (4) The commission has held a public hearing for the purposes
15 of providing an opportunity for the public to review and comment
16 on the information required to be prepared pursuant to this
17 subdivision.

18 (5) All of the following additional conditions are met:

19 (A) Feasibility studies have been completed.

20 (B) The director has found and determined that the project is
21 feasible and is consistent with all applicable laws and regulations.

22 (C) All environmental documentation associated with the project
23 has been completed, and all other federal, state, and local approvals,
24 certifications, and agreements required to be completed have been
25 obtained.

26 (b) The commission shall submit to the Legislature its findings
27 for each of the criteria listed in subdivision (a) for a project funded
28 pursuant to this chapter.

29 (c) Notwithstanding subdivision (a), funds may be made
30 available under this chapter for the completion of environmental
31 documentation and permitting of a project if all of the conditions
32 of this section have been met except for the conditions established
33 under subparagraph (C) of paragraph (5) of subdivision (a).

34 79745. (a) The public benefit cost share of a project funded
35 pursuant to this chapter, other than a project defined under
36 subdivision (c) of Section 79741, may not exceed 50 percent of
37 the total costs of any project funded under this chapter.

38 (b) No project may be funded unless it provides ecosystem
39 improvements as described in paragraph (1) of subdivision (a) of

1 Section 79742 that are at least 50 percent of total public benefits
2 of the project funded under this chapter.

3 79746. (a) No project identified in subdivision (a) of Section
4 79741 shall be eligible for funding under this chapter unless, by
5 January 1, 2014, all of the following conditions are met:

6 (1) All feasibility studies are complete and draft environmental
7 documentation is available for public review.

8 (2) The director makes a finding that the project is feasible.

9 (3) The director receives commitments for not less than 75
10 percent of the nonstate cost share of the project.

11 (b) If compliance with subdivision (a) is delayed by litigation
12 or failure to promulgate regulations, the date in subdivision (a)
13 shall be extended by the director for a time period that is equal to
14 the time period of the delay.

15 79747. Surface storage projects funded pursuant to this chapter
16 and described in subdivision (a) of Section 79741 may be made a
17 unit of the Central Valley Project as provided in Section 11290
18 and may be financed, acquired, constructed, operated, and
19 maintained pursuant to Part 3 (commencing with Section 11100)
20 of Division 6.

21

22 CHAPTER 9. CONSERVATION AND WATERSHED PROTECTION

23

24 79750. The sum of one billion dollars (\$1,000,000,000) shall
25 be available, upon appropriation by the Legislature from the fund,
26 in accordance with this chapter, for expenditures and grants for
27 ecosystem and watershed protection and restoration projects,
28 including, but not limited to, all of the following watersheds:

29 (a) The San Joaquin River watershed.

30 (b) The Kern River and Tulare Basin watersheds.

31 (c) The Salton Sea and Colorado River watersheds.

32 (d) The Los Angeles River watershed.

33 (e) The San Gabriel River watershed.

34 (f) The Santa Ana River watershed.

35 (g) The Klamath River watershed, including the Trinity, Scott,
36 and Shasta Rivers and watersheds.

37 (h) North coast watersheds.

38 (i) San Francisco Bay watersheds.

39 (j) Central coast watersheds.

40 (k) South coast watersheds.

- 1 (l) Lake Tahoe Basin watershed.
2 (m) The Sacramento River watershed, including the Yolo
3 Bypass.
4 (n) San Diego County coastal watersheds.
5 (o) The Ventura River watershed.
6 (p) The Sierra Nevada Mountain watersheds.
7 (q) The Mojave River watershed.
8 (r) The Owens River watershed.
9 (s) The Santa Monica Bay watershed.
- 10 79751. (a) Funds provided for the Sacramento River and San
11 Joaquin River watersheds under Section 79750 shall be available
12 for projects consistent with the ecosystem restoration program
13 element of the California Bay-Delta Program, or its successor, or
14 the San Joaquin River Parkway Master Plan.
- 15 (b) Funds provided for Salton Sea watershed projects under
16 Section 79750 shall be available for Salton Sea restoration activities
17 identified for “Period I” in the Natural Resources Agency report
18 entitled “Salton Sea Ecosystem Restoration Program Preferred
19 Alternative Report and Funding Plan,” dated May 2007.
- 20 (c) Funds provided for the Lake Tahoe Basin watershed under
21 Section 79750 shall be available for projects consistent with the
22 Lake Tahoe Environmental Improvement Program.
- 23 (d) Funds provided for the Los Angeles River and San Gabriel
24 River watersheds under Section 79750 shall be available pursuant
25 to Section 79508, and for projects identified in the Los Angeles
26 River Revitalization Master Plan.
- 27 79752. (a) The sum of eighty-five million dollars
28 (\$85,000,000) shall be available, upon appropriation by the
29 Legislature from the fund, to the Department of Fish and Game
30 for expenditures and grants to protect the Delta ecosystem and the
31 state’s water supply from invasive species, including, but not
32 limited to, asiatic clams, zebra mussels, quagga mussels, and New
33 Zealand mud snails.
- 34 (b) At least fifty million dollars (\$50,000,000) of the funds
35 provided pursuant to subdivision (a) shall be available for grants
36 to public agencies, including water agencies, to pay for capital
37 expenditures associated with the control of invasive species,
38 including, but not limited to, chlorination facilities, habitat
39 modifications, and monitoring equipment. The Department of Fish
40 and Game shall administer the grant program.

1 (c) The Legislature, by statute, shall establish requirements for
2 both of the following:

3 (1) Repayment of grant funds made available pursuant to this
4 section in the event of cost recovery from parties responsible for
5 the introduction of invasive species that affect the Delta ecosystem
6 and the state’s water supply.

7 (2) Recipients of grants to make reasonable efforts to recover
8 costs from parties described in paragraph (1).

9 79753. For restoration and ecosystem protection projects under
10 this chapter, the services of the California Conservation Corps or
11 community conservation corps shall be used whenever feasible.

12 79754. Funds provided under this chapter may be appropriated
13 to the Resources Agency, the Department of Fish and Game, the
14 Wildlife Conservation Board, the California Conservation Corps,
15 the Department of Parks and Recreation, or to state conservancies
16 for expenditures and grants consistent with this chapter and other
17 applicable laws.

18 79755. Of the funds made available pursuant to Section 79750,
19 not less than two hundred million dollars (\$200,000,000) shall be
20 available to the State Coastal Conservancy for projects within
21 coastal counties and coastal watersheds. Of this amount, not less
22 than twenty million dollars (\$20,000,000) shall be available for
23 grants to the San Diego River Conservancy and not less than forty
24 million dollars (\$40,000,000) shall be available for the Santa Ana
25 River Parkway.

26 79756. Of the funds provided in Section 79750, not less than
27 one hundred million dollars (\$100,000,000) shall be available to
28 the Wildlife Conservation Board for direct expenditure or grants
29 for the acquisition of water rights from willing sellers and the
30 conveyance of water for the benefit of migratory birds on wildlife
31 refuges and wildlife habitat areas subject to Section 3406(d) of the
32 federal Central Valley Project Improvement Act (Public Law
33 102-575).

34 79757. Of the funds provided in Section 79750, not less than
35 two hundred million dollars (\$200,000,000) shall be available to
36 the Wildlife Conservation Board for direct expenditure or grants
37 for the protection or restoration of watershed lands that provide
38 sources of drinking water or rivers and streams that support species
39 listed as threatened or endangered under state or federal law.

1 79758. The sum of one hundred million dollars (\$100,000,000)
 2 shall be available, upon appropriation by the Legislature from the
 3 fund, to the Wildlife Conservation Board, in consultation with the
 4 Department of Forestry and Fire Protection, for grants and direct
 5 expenditures for watershed restoration in fire damaged areas, and
 6 for fuel load reduction and other projects to reduce the potential
 7 for watershed damage from wildfires to protect water quality, fish,
 8 and wildlife.

9 79759. The sum of one hundred fifty million dollars
 10 (\$150,000,000) shall be available, upon appropriation by the
 11 Legislature from the fund, to the Department of Fish and Game
 12 or the State Coastal Conservancy for grants and expenditures for
 13 projects that improve fish passage on rivers and streams, including
 14 barrier removal, sediment management, and related watershed
 15 restoration.

16 79760. For the purposes of this chapter, the terms “restoration”
 17 and “protection” have the meanings set forth in Section 75005 of
 18 the Public Resources Code.

19

20 CHAPTER 10. GROUNDWATER PROTECTION AND WATER
 21 QUALITY

22

23 79775. (a) The sum of three hundred sixty million dollars
 24 (\$360,000,000) shall be available, upon appropriation by the
 25 Legislature from the fund, for expenditures, grants, and loans for
 26 projects to prevent or reduce the contamination of groundwater
 27 that serves as a source of drinking water. Projects shall be
 28 consistent with an adopted integrated regional water management
 29 plan. Funds appropriated pursuant to this section shall be available
 30 to the State Department of Public Health for projects necessary to
 31 protect public health by preventing or reducing the contamination
 32 of groundwater that serves as a major source of drinking water for
 33 a community.

34 (b) Projects shall be prioritized based upon the following criteria:

- 35 (1) The threat posed by groundwater contamination to the
 36 affected community’s overall drinking water supplies, including
 37 the need for treatment of alternative supplies if groundwater is not
 38 available due to contamination.

1 (2) The potential for groundwater contamination to spread and
2 reduce drinking water supply and water storage for nearby
3 population areas.

4 (3) The potential of the project, if fully implemented, to enhance
5 local water supply reliability.

6 (4) The potential of the project to increase opportunities for
7 groundwater recharge and optimization of groundwater supplies.

8 (c) The State Department of Public Health shall give additional
9 consideration to projects that meet any of the following criteria:

10 (1) The project is implemented pursuant to a comprehensive
11 basinwide groundwater quality management and remediation plan
12 or is necessary to develop a comprehensive groundwater plan.

13 (2) Affected groundwater provides a local supply that, if
14 contaminated and not remediated, will require import of additional
15 water from outside the region.

16 (3) The project addresses contamination at a site where the
17 responsible parties have not been identified, or where the
18 responsible parties are unwilling or unable to pay for cleanup.

19 (d) Of the amount made available by this section, not less than
20 one hundred million dollars (\$100,000,000) shall be allocated to
21 projects that benefit disadvantaged communities, including
22 technical and grant writing assistance.

23 (e) Of the amount made available by this section, up to one
24 hundred million dollars (\$100,000,000) shall be available for
25 projects that meet the requirements of this section and both of the
26 following criteria:

27 (1) The project is part of a basinwide management and
28 remediation plan for which federal funds have been allocated.

29 (2) The project addresses contamination at a site on the list
30 maintained by the Department of Toxic Substances Control
31 pursuant to Section 25356 of the Health and Safety Code or a site
32 listed on the National Priorities List pursuant to the federal
33 Comprehensive Environmental Response, Compensation, and
34 Liability Act of 1980 (42 U.S.C. Sec. 9601 et seq.).

35 (f) The Legislature, by statute, shall establish both of the
36 following:

37 (1) Requirements for repayment of grant funds in the event of
38 cost recovery from parties responsible for the groundwater
39 contamination.

1 (2) Requirements for recipients of grants to make reasonable
2 efforts to recover costs from parties responsible for groundwater
3 contamination.

4 79775.5. The sum of ninety million dollars (\$90,000,000) shall
5 be available, upon appropriation by the Legislature from the fund,
6 to the State Department of Public Health for grants and direct
7 expenditures to finance emergency and urgent actions on behalf
8 of disadvantaged communities to ensure that safe drinking water
9 supplies are available to all Californians.

10 79776. The sum of two hundred million dollars (\$200,000,000)
11 shall be available, upon appropriation by the Legislature from the
12 fund, to the State Water Resources Control Board for grants for
13 small community wastewater treatment projects to protect water
14 quality that meet all of the following criteria:

15 (a) The project is for the planning, design, permitting,
16 construction, or improvement of a wastewater treatment facility,
17 sewer system, or related infrastructure necessary to meet water
18 quality standards or prevent contamination of surface water or
19 groundwater resources.

20 (b) The project will serve a community with a population of
21 20,000 or less.

22 (c) The project meets other standards that may be established
23 by the State Water Resources Control Board with respect to the
24 design, construction, financing, and operation of the project.

25 79777. (a) The sum of three hundred million dollars
26 (\$300,000,000) shall be available, upon appropriation by the
27 Legislature from the fund, to the State Water Resources Control
28 Board for competitive grants and loans for stormwater management
29 and water quality projects pursuant to this section.

30 (b) Eligible projects shall assist in compliance with total
31 maximum daily load (TMDL) implementation plans and be
32 consistent with all applicable waste discharge permits.

33 (c) Eligible projects include facilities and infrastructure to
34 reduce, manage, and treat stormwater runoff, including, but not
35 limited to:

- 36 (1) Detention and retention basins.
- 37 (2) Dry weather diversion facilities, trash filters, and screens.
- 38 (3) Treatment wetlands creation and enhancement.

1 (4) Stormwater runoff reduction projects, including permeable
2 surface installation, cisterns, and collection and treatment facilities
3 for groundwater recharge.

4 (5) Other stormwater management infrastructure for low-impact
5 development.

6 (d) The board shall require not less than a 50 percent local cost
7 share for grant funds, but may suspend or reduce the matching
8 requirements for disadvantaged communities.

9 (e) The board shall award grants on a competitive basis,
10 considering the following criteria:

11 (1) Water quality benefits of the project, including the project's
12 ability to reduce impairment of the receiving water body.

13 (2) Cost effectiveness.

14 (3) Public health benefits of the project.

15 (f) Eligible recipients shall include local public agencies and
16 joint powers authorities.

17 79778. The sum of one hundred million dollars (\$100,000,000)
18 shall be transferred from the fund to the California Ocean
19 Protection Trust Fund established pursuant to Section 35650 of
20 the Public Resources Code for expenditure, upon appropriation
21 by the Legislature, for projects consistent with Section 35650 of
22 the Public Resources Code.

23
24 CHAPTER 11. WATER RECYCLING AND ADVANCED TREATMENT
25 TECHNOLOGIES
26

27 79785. The sum of five hundred million dollars (\$500,000,000)
28 shall be available, upon appropriation by the Legislature from the
29 fund, for grants and loans for water and advanced treatment
30 technology projects that include the following:

31 (a) Water recycling projects.

32 (b) Contaminant and salt removal projects, including
33 groundwater and seawater desalination.

34 (c) Dedicated distribution infrastructure for recycled water,
35 including commercial and industrial end-user retrofit projects to
36 allow use of recycled water.

37 (d) Pilot projects for new salt and contaminant removal
38 technology.

39 (e) Groundwater recharge infrastructure related to recycled
40 water.

1 (f) Technical assistance and grant writing assistance for
2 disadvantaged communities.

3 79786. For projects funded pursuant to Section 79785, at least
4 a 50-percent local cost share shall be required, but may be
5 suspended or reduced for disadvantaged communities. Projects
6 shall be selected on a competitive basis, considering all of the
7 following criteria:

8 (a) Water supply reliability improvement.

9 (b) Water quality and ecosystem benefits related to decreased
10 reliance on diversions from the Delta or instream flows.

11 (c) Public health benefits from improved drinking water quality.

12 (d) Costeffectiveness.

13 (e) Energy efficiency and greenhouse gas emission impacts.

14

15 CHAPTER 12. CALIFORNIA WATER RESOURCES FUND

16

17 79800. The California Water Resources Fund is hereby
18 established in the State Treasury.

19 79801. (a) The department shall establish and impose a
20 schedule of fees on residential, commercial, industrial, and
21 agricultural water users.

22 (b) The department shall annually determine the amount of the
23 fees imposed pursuant to subdivision (a). That determination shall
24 be made so that the total amount collected will be no greater than
25 the amount required to carry out Section 79803.

26 (c) The fees shall be equitably apportioned among feepayer
27 groups. The department shall periodically adjust the fee amounts
28 to ensure that the fees are allocated fairly and that feepayers are
29 not paying disproportionately more than their impacts or benefits
30 justify.

31 79802. The State Board of Equalization shall collect the fees
32 imposed by Section 79801 pursuant to Part 30 (commencing with
33 Section 55001) of Division 2 of the Revenue and Taxation Code)
34 and deposit those fees in the California Water Resources Fund.

35 79803. Notwithstanding Section 13340 of the Government
36 Code, the moneys in the California Water Resources Fund are
37 hereby continuously appropriated, without regard to fiscal years,
38 to the department as follows:

39 (a) To pay refunds of the water fee, interest, and penalties, as
40 authorized by Chapter 5 (commencing with Section 55221) of Part

1 30 of Division 2 of the Revenue and Taxation Code), including
2 refunds due on account of judgments that require the return of fees
3 unlawfully collected.

4 (b) To reimburse the State Board of Equalization for its
5 administrative costs of registering, collecting, making refunds, and
6 auditing in connection with the fee imposed under this chapter.

7 (c) To pay the costs of the department in carrying out its duties
8 pursuant to this chapter.

9 (d) To, thereafter, reimburse the General Fund for payments
10 made to finance the debt service on the bonds issued pursuant to
11 this division.

12
13 CHAPTER 13. FISCAL PROVISIONS
14

15 79820. (a) Bonds in the total amount of nine billion seven
16 hundred eighty-five million dollars (\$9,785,000,000), not including
17 the amount of any refunding bonds issued in accordance with
18 Section 79832, or so much thereof as is necessary, may be issued
19 and sold to provide a fund to be used for carrying out the purposes
20 expressed in this division and to reimburse the General Obligation
21 Bond Expense Revolving Fund pursuant to Section 16724.5 of the
22 Government Code. The bonds, when sold, shall be and constitute
23 valid and binding obligations of the State of California, and the
24 full faith and credit of the State of California is hereby pledged
25 for the punctual payment of both the principal of, and interest on,
26 the bonds as the principal and interest become due and payable.

27 (b) The Treasurer shall sell the bonds authorized by the
28 committee pursuant to this section. The bonds shall be sold upon
29 the terms and conditions specified in a resolution to be adopted
30 by the committee pursuant to Section 16731 of the Government
31 Code.

32 79821. The bonds authorized by this division shall be prepared,
33 executed, issued, sold, paid, and redeemed as provided in the State
34 General Obligation Bond Law, and all of the provisions of that
35 law apply to the bonds and to this division and are hereby
36 incorporated in this division as though set forth in full in this
37 division, except Section 16727 of the Government Code shall not
38 apply to the extent that it is inconsistent with any other provision
39 of this division.

1 79822. (a) Solely for the purpose of authorizing the issuance
2 and sale, pursuant to the State General Obligation Bond Law, of
3 the bonds authorized by this division, the Safe, Clean, and Reliable
4 Drinking Water Supply Finance Committee is hereby created. For
5 purposes of this division, the Safe, Clean, and Reliable Drinking
6 Water Finance Committee is “the committee” as that term is used
7 in the State General Obligation Bond Law.

8 (b) The committee consists of the Director of Finance, the
9 Treasurer, the Controller, the Director of Water Resources, and
10 the Secretary of the Natural Resources Agency. Notwithstanding
11 any other provision of law, any member may designate a deputy
12 to act as that member in his or her place for all purposes, as though
13 the member were personally present.

14 (c) The Treasurer shall serve as chairperson of the committee.

15 (d) A majority of the members of the committee shall constitute
16 a quorum of the committee, and may act for the committee.

17 79823. The committee shall determine whether or not it is
18 necessary or desirable to issue bonds authorized pursuant to this
19 division to carry out the actions specified in this division and, if
20 so, the amount of bonds to be issued and sold. Successive issues
21 of bonds may be authorized and sold to carry out those actions
22 progressively, and it is not necessary that all of the bonds
23 authorized to be issued be sold at any one time.

24 79824. “Board,” as defined in Section 16722 of the Government
25 Code for the purposes of compliance with the State General
26 Obligation Bond Law, means the department.

27 79825. There shall be collected each year and in the same
28 manner and at the same time as other state revenue is collected,
29 in addition to the ordinary revenues of the state, a sum in an amount
30 required to pay the principal of, and interest on, the bonds each
31 year, and it is the duty of all officers charged by law with any duty
32 in regard to the collection of the revenue to do and perform each
33 and every act which is necessary to collect that additional sum.

34 79826. Notwithstanding Section 13340 of the Government
35 Code, there is hereby appropriated from the General Fund in the
36 State Treasury, for the purposes of this division, an amount that
37 will equal the total of the following:

38 (a) The sum annually necessary to pay the principal of, and
39 interest on, bonds issued and sold pursuant to this division, as the
40 principal and interest become due and payable.

1 (b) The sum that is necessary to carry out the provisions of
2 Section 79829, appropriated without regard to fiscal years.

3 79827. The board may request the Pooled Money Investment
4 Board to make a loan from the Pooled Money Investment Account
5 in accordance with Section 16312 of the Government Code for the
6 purpose of carrying out this division. The amount of the request
7 shall not exceed the amount of the unsold bonds that the committee
8 has, by resolution, authorized to be sold for the purpose of carrying
9 out this division. The board shall execute those documents required
10 by the Pooled Money Investment Board to obtain and repay the
11 loan. Any amounts loaned shall be deposited in the fund to be
12 allocated in accordance with this division.

13 79828. Notwithstanding any other provision of this division,
14 or of the State General Obligation Bond Law, if the Treasurer sells
15 bonds that include a bond counsel opinion to the effect that the
16 interest on the bonds is excluded from gross income for federal
17 tax purposes under designated conditions, the Treasurer may
18 maintain separate accounts for the bond proceeds invested and for
19 the investment earnings on those proceeds, and may use or direct
20 the use of those proceeds or earnings to pay any rebate, penalty,
21 or other payment required under federal law or take any other
22 action with respect to the investment and use of those bond
23 proceeds, as may be required or desirable under federal law in
24 order to maintain the tax-exempt status of those bonds and to obtain
25 any other advantage under federal law on behalf of the funds of
26 this state.

27 79829. For the purposes of carrying out this division, the
28 Director of Finance may authorize the withdrawal from the General
29 Fund of an amount or amounts not to exceed the amount of the
30 unsold bonds that have been authorized by the committee to be
31 sold for the purpose of carrying out this division. Any amounts
32 withdrawn shall be deposited in the fund. Any money made
33 available under this section shall be returned to the General Fund,
34 with interest at the rate earned by the money in the Pooled Money
35 Investment Account, from proceeds received from the sale of bonds
36 for the purpose of carrying out this division.

37 79830. All money deposited in the fund that is derived from
38 premiums and accrued interest on bonds sold pursuant to this
39 division shall be reserved in the fund and shall be available for

1 transfer to the General Fund as a credit to expenditures for bond
2 interest.

3 79831. Pursuant to Chapter 4 (commencing with Section
4 16720) of Part 3 of Division 4 of Title 2 of the Government Code,
5 the cost of bond issuance shall be paid out of the bond proceeds.
6 These costs shall be shared proportionately by each program funded
7 through this division.

8 79832. The bonds issued and sold pursuant to this division
9 may be refunded in accordance with Article 6 (commencing with
10 Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of
11 the Government Code, which is a part of the State General
12 Obligation Bond Law. Approval by the electors of the state for the
13 issuance of the bonds under this division shall include approval
14 of the issuance of any bonds issued to refund any bonds originally
15 issued under this division or any previously issued refunding bonds.

16 79833. The Legislature hereby finds and declares that,
17 inasmuch as the proceeds from the sale of bonds authorized by
18 this division are not “proceeds of taxes” as that term is used in
19 Article XIII B of the California Constitution, and the disbursement
20 of these proceeds is not subject to the limitations imposed by that
21 article.

22 SEC. 2. Section 1 of this act shall be submitted to the voters
23 at the November 2, 2010, statewide general election in accordance
24 with provisions of the Government Code and the Elections Code
25 governing the submission of a statewide measure to the voters.

26 SEC. 3. (a) (1) Notwithstanding Section 9051 of the Elections
27 Code or any other provision of law, the Attorney General shall
28 provide and return to the Secretary of State a ballot title and
29 summary in 10-point type for all state ballot pamphlets of the
30 November 2, 2010, statewide general election that contains the
31 following title and summary for ____ Bill ____, adopted by the
32 Legislature at the 2009–10 Regular Session:

33

34 “SAFE, CLEAN, AND RELIABLE DRINKING WATER
35 SUPPLY ACT OF 2010” and in the same square under those
36 words:

37 “Safeguards supplies of safe, clean drinking water to California
38 homes, farms, and businesses. Expands conservation, cleans up
39 polluted wells, expands flood prevention and environmental

1 protection of water sources supplying the State Water Project.
2 Authorizes \$9.785 billion in general obligation bonds.”

3
4 (2) The language in paragraph (1) shall be the only language
5 included in the title and summary for ____ Bill ____, adopted by
6 the Legislature at the 2009–10 Regular Session, and the Attorney
7 General shall not supplement, subtract from, or revise that
8 language.

9 (3) Notwithstanding any other provision of law, including
10 Sections 9050, 9051, 13247, 13262, and 13281 of the Elections
11 Code, the language in paragraph (1) for the title and summary shall
12 also be the language included in the ballot label for the condensed
13 statement of the ballot title, and the Attorney General shall not
14 supplement, subtract from, or revise that language, except that the
15 Attorney General may include the fiscal impact summary prepared
16 pursuant to Section 9087 of the Elections Code and Section 88003
17 of the Government Code. The ballot label is the condensed
18 statement of the ballot title and the financial impact summary.

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

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

27 SEC. 4. Section 1 of this act shall take effect only upon the
28 approval by the voters of the Safe, Clean, and Reliable Drinking
29 Water Supply Act of 2010, as set forth in that section.

30 SEC. 5. This act is an urgency statute necessary for the
31 immediate preservation of the public peace, health, or safety within
32 the meaning of Article IV of the Constitution and shall go into
33 immediate effect. The facts constituting the necessity are:

34 In order to finance a critical water supply reliability and water
35 source protection program as soon as possible, it is necessary that
36 this act take effect immediately.

O