

AMENDED IN ASSEMBLY APRIL 12, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2421**

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**Introduced by Assembly Member Bill Berryhill  
(Principal coauthor: Assembly Member Huber)**

February 24, 2012

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An act to add ~~Chapter 1.5 (commencing with and repeal Section 115) to Division 115~~ of the Water Code, relating to the Sacramento-San Joaquin Delta.

LEGISLATIVE COUNSEL'S DIGEST

AB 2421, as amended, Bill Berryhill. ~~Sacramento-San Joaquin Delta: peripheral canal. Bay Delta Conservation Plan: Delta Plan project: costs and benefits.~~

Existing law requires various state agencies to administer programs relating to water supply, water quality, and flood management in the Sacramento-San Joaquin Delta. *The Sacramento-San Joaquin Delta Reform Act of 2009 establishes the Delta Stewardship Council, which is required to develop, adopt, and commence implementation of a comprehensive management plan for the Delta (Delta Plan) by January 1, 2012. The act authorizes the incorporation of the Bay Delta Conservation Plan into the Delta Plan if certain requirements are met.*

The bill would require ~~the Legislative Analyst's Office to complete a prescribed economic feasibility analysis prior to the enactment of a statute authorizing the construction of a peripheral canal, as defined an independent 3rd party, chosen as prescribed, to conduct an analysis of the costs and benefits, as specified, for any project being submitted by the Bay Delta Conservation Plan to the Delta Plan and to submit this~~

to the Legislature, as prescribed. This bill would prohibit the funding for these provisions from exceeding \$1,000,000.

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.  
State-mandated local program: no.

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

1     SECTION 1. Section 115 is added to the Water Code, to read:  
2     115. (a) An independent third-party analysis shall be  
3     completed and submitted to the Legislature either prior to any  
4     project being submitted by the Bay Delta Conservation Plan to  
5     the Delta Plan, or on or before June 30, 2013, whichever occurs  
6     first. The analysis of the costs and benefits shall use the Department  
7     of Water Resources Economic Analysis Guidebook of 2008 and  
8     include all of the following:

9     (1) The total cost of the project, including, but not limited to,  
10    environmental review, planning, design, construction, mitigation,  
11    and all related expenses, and the methods for paying those costs.

12    (2) The expected impacts of the project on taxpayers, water  
13    ratepayers, and the General Fund.

14    (3) Whether the analysis of the costs and benefits determines  
15    that the direct social benefits of any proposed project or plan  
16    outweigh its social costs over the analysis period. This comparison  
17    may be displayed as either the quotient of benefits divided by costs  
18    representing the benefit to cost ratio, the difference between  
19    benefits and costs representing the net benefits, or both. The  
20    analysis shall include whether the project is economically justified,  
21    meaning whether the present value of the proposed project exceeds  
22    the present value of its net benefits over the life of the project or  
23    plan.

24    (b) The third party that conducts this analysis shall be chosen  
25    by the following:

26    (1) One representative of the Legislative Analyst's Office.

27    (2) One representative of the Delta Protection Commission.

28    (3) One representative of the State Water Contractors.

29    (c) Funding for the purposes of this section shall not exceed  
30    one million dollars (\$1,000,000).

31    (d) (1) A report to be submitted to the Legislature pursuant to  
32    subdivision (a) shall be submitted in compliance with Section 9795  
33    of the Government Code.

1 (2) Pursuant to Section 10231.5 of the Government Code, this  
2 section is repealed on June 30, 2017.

3 SECTION 1. ~~Chapter 1.5 (commencing with Section 115) is~~  
4 ~~added to Division 1 of the Water Code, to read:~~

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~~CHAPTER 1.5. PERIPHERAL CANAL~~

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8 115. ~~As used in this chapter, the following terms have the~~  
9 ~~following meanings:~~

10 (a) ~~“Delta” means the Sacramento-San Joaquin Delta, as defined~~  
11 ~~in Section 12220.~~

12 (b) ~~“Peripheral canal” means a facility or structure that conveys~~  
13 ~~water directly from a diversion point in the Sacramento River to~~  
14 ~~pumping facilities of the State Water Project or the federal Central~~  
15 ~~Valley Project south of the Delta.~~

16 116. ~~Prior to the enactment of any statute authorizing the~~  
17 ~~construction of a peripheral canal, the Legislative Analyst’s Office~~  
18 ~~shall complete an economic feasibility analysis that includes all~~  
19 ~~of the following:~~

20 (a) ~~The total cost of the project, including environmental review,~~  
21 ~~planning, design, construction, mitigation, and all related expenses,~~  
22 ~~and the methods for paying those costs.~~

23 (b) ~~Expected impacts of the project on taxpayers, water~~  
24 ~~ratepayers, and the General Fund.~~

25 (c) ~~Expected environmental and economic impacts of the project~~  
26 ~~on existing public infrastructure in and around the Delta and the~~  
27 ~~Delta watershed.~~

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