

AMENDED IN SENATE AUGUST 20, 2014

AMENDED IN SENATE JUNE 26, 2014

AMENDED IN SENATE JUNE 9, 2014

AMENDED IN ASSEMBLY APRIL 9, 2014

AMENDED IN ASSEMBLY MARCH 17, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 1527

Introduced by Assembly Member Perea

January 17, 2014

An act to ~~amend~~ *add* Section ~~116760.70~~ of *116760.40.5* to the Health and Safety Code, relating to public water systems.

LEGISLATIVE COUNSEL'S DIGEST

AB 1527, as amended, Perea. Public water systems: Safe Drinking Water State Revolving Fund.

Existing law, the Safe Drinking Water State Revolving Fund Law of 1997, establishes the Safe Drinking Water State Revolving Fund to provide grants or revolving fund loans for the design and construction of projects for public water systems that will enable those systems to meet safe drinking water standards. Existing law, operative July 1, 2014, *law* requires the State Water Resources Control Board to implement this law pursuant to the adoption of a policy handbook. Existing law, operative on July 1, 2014, and repealed as of January 1 of the next calendar year occurring after the board provides notice to the Legislature and the Secretary of State and posts notice on its Internet Web site that

the board has adopted a policy handbook, requires the board to establish a priority list of proposed projects to be considered for funding.

This bill would require the board to give priority to funding *State Water Resources Control Board to provide incentives for the consolidation of public water systems based upon a service review developed by a local agency formation commission. This bill would repeal these provisions as of January 1 of the next calendar year occurring after the board provides notice to the Legislature and the Secretary of State and posts notice on its Internet Web site that the board has adopted a policy handbook.*

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

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

1 SECTION 1. Section 116760.40.5 is added to the Health and
2 Safety Code, to read:

3 116760.40.5. (a) The board shall provide incentives for the
4 consolidation of public water systems based upon a service review
5 developed by a local agency formation commission pursuant to
6 Section 56430 of the Government Code.

7 (b) This section is repealed as of January 1 of the next calendar
8 year occurring after the board provides notice to the Legislature
9 and the Secretary of State and posts notice on its Internet Web site
10 that the board has adopted a policy handbook pursuant to Section
11 116760.43.

12 SECTION 1. Section 116760.70 of the Health and Safety Code
13 is amended to read:

14 116760.70. (a) The board, after public notice and opportunity
15 for comment, shall, from time to time, establish a priority list of
16 proposed projects to be considered for funding under this chapter.
17 In doing so, the board shall determine if improvement or
18 rehabilitation of the public water system is necessary to provide
19 pure, wholesome, and potable water in adequate quantity and at
20 sufficient pressure for health, cleanliness, and other domestic
21 purposes. The board shall establish criteria for placing public water
22 systems on the priority list for funding that shall include criteria
23 for priority list categories. Priority shall be given to projects that
24 meet all of the following requirements:

25 (1) Address the most serious risk to human health.

- 1 ~~(2) Are necessary to ensure compliance with requirements of~~
2 ~~Chapter 4 (commencing with Section 116270) including~~
3 ~~requirements for filtration.~~
4 ~~(3) Assist systems most in need on a per household basis~~
5 ~~according to affordability criteria.~~
6 ~~(b) The board may, in establishing a new priority list, merge~~
7 ~~those proposed projects from the existing priority list into the new~~
8 ~~priority list.~~
9 ~~(c) In establishing the priority list, the board shall consider the~~
10 ~~system's implementation of an ongoing source water protection~~
11 ~~program or wellhead protection program.~~
12 ~~(d) In establishing the priority list categories and the priority~~
13 ~~for funding projects, the board shall carry out the intent of the~~
14 ~~Legislature pursuant to subdivisions (f) to (i), inclusive, of Section~~
15 ~~116760.10 and do all of the following:~~
16 ~~(1) Give priority to upgrade an existing system to meet drinking~~
17 ~~water standards.~~
18 ~~(2) After giving priority pursuant to paragraph (1), consider~~
19 ~~whether the applicant has sought other funds when providing~~
20 ~~funding for a project to upgrade an existing system and to~~
21 ~~accommodate a reasonable amount of growth.~~
22 ~~(e) Consideration of an applicant's eligibility for funding shall~~
23 ~~initially be based on the priority list in effect at the time the~~
24 ~~application is received and the project's ability to proceed. If a~~
25 ~~new priority list is established during the time the application is~~
26 ~~under consideration, but before the applicant receives a letter of~~
27 ~~commitment, the board may consider the applicant's eligibility for~~
28 ~~funding based on either the old or new priority list.~~
29 ~~(f) The board may change the ranking of a specific project on~~
30 ~~the priority lists at any time following the publication of the list if~~
31 ~~information, that was not available at the time of the publication~~
32 ~~of the list, is provided that justifies the change in the ranking of~~
33 ~~the project.~~
34 ~~(g) The board shall provide one or more public hearings on the~~
35 ~~Intended Use Plan, the priority list, and the criteria for placing~~
36 ~~public water systems on the priority list. The board shall adopt an~~
37 ~~Intended Use Plan and provide notice of the Intended Use Plan,~~
38 ~~criteria, and priority list not less than 30 days before the adoption~~
39 ~~of the Intended Use Plan. The Intended Use Plan, criteria, and~~
40 ~~priority list shall not be subject to the requirements of Chapter 3.5~~

1 ~~(commencing with Section 11340) of Part 1 of Division 3 of Title~~
2 ~~2 of the Government Code.~~

3 ~~(h) The board shall give priority funding to the consolidation~~
4 ~~of public water systems based upon a service review developed~~
5 ~~by a local agency formation commission pursuant to Section 56430~~
6 ~~of the Government Code.~~

7 ~~(i) The requirements of this section do not constitute an~~
8 ~~adjudicatory proceeding as defined in Section 11405.20 of the~~
9 ~~Government Code and Section 11410.10 of the Government Code~~
10 ~~is not applicable.~~

11 ~~(j) This section shall become operative on July 1, 2014, and is~~
12 ~~repealed as of January 1 of the next calendar year occurring after~~
13 ~~the board provides notice to the Legislature and the Secretary of~~
14 ~~State and posts notice on its Internet Web site that the board has~~
15 ~~adopted a policy handbook pursuant to Section 116760.43.~~