

Assembly Bill No. 2453

Passed the Assembly August 18, 2014

Chief Clerk of the Assembly

Passed the Senate August 13, 2014

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2014, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to add Part 8.2 (commencing with Section 37900) to Division 13 of the Water Code, relating to water.

LEGISLATIVE COUNSEL’S DIGEST

AB 2453, Achadjian. Paso Robles Basin Water District.

Existing law, the California Water District Law, provides for the formation of California water districts and grants these districts authority relating to, among other things, the production, storage, transmission, and distribution of water. That district law generally requires the members of the board of a California water district, and the voters of that district, to be landowners, but provides for the modification of these requirements by the board of that district.

This bill would, until January 1, 2019, provide for the formation of the Paso Robles Basin Water District, and would set forth the composition of, and method of election by landowners and registered voters for, the board of directors for the Paso Robles Basin Water District, the boundaries of which would be established and may be modified by the San Luis Obispo County Local Agency Formation Commission. The bill would require the district to be formed in accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, except as specified. The bill would prescribe various powers of the district relating to the use and extraction of groundwater that the district, by ordinance, would be authorized to exercise, including, among others, collecting data, conducting investigations, and requiring conservation practices and measures under specified circumstances.

The bill would authorize the district to develop, adopt, and implement a groundwater management plan to control extractions from the Paso Robles Groundwater Basin aquifers, as specified. The bill would also authorize the district to impose groundwater extraction charges, to establish extraction allocations, and to impose extraction surcharges to, among other things, discourage the use of groundwater beyond the extraction allocation. The bill would provide that the moneys collected by the district shall be available for expenditure by the district to carry out its groundwater management functions.

This bill would make legislative findings and declarations as to the necessity of a special statute for the County of San Luis Obispo.

Because an intentional violation of the act's provisions would be a crime, and because the bill would expand the crime of perjury, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

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

SECTION 1. Part 8.2 (commencing with Section 37900) is added to Division 13 of the Water Code, to read:

PART 8.2. PASO ROBLES BASIN WATER DISTRICT

CHAPTER 1. GENERAL PROVISIONS

37900. (a) For purposes of this part, the following definitions apply:

(1) "Aquifer" means a geologic formation or structure that transmits water in sufficient quantities to supply pumping wells or springs.

(2) "Available supply" means that quantity of groundwater that can be withdrawn in any given year from a groundwater basin or aquifer without resulting in or aggravating conditions of overdraft, subsidence, or groundwater quality degradation. Available supply of a groundwater basin or aquifer includes the natural water supply, imported water, or other water that has been spread to a basin or aquifer or otherwise added to a basin or aquifer, and return flows to the basin or aquifer attributable to these sources reaching the groundwater basin or aquifers in the course of use.

(3) "Board" means the board of directors of the Paso Robles Basin Water District.

(4) "Conjunctive use" means the coordinated operation of a groundwater basin and groundwater and surface water supplies. Conjunctive use includes increased groundwater use or decreased

groundwater replenishment with surface supplies in years when surface supplies are less than normal and, in years of more abundant surface supplies, the increased use of surface water in lieu of groundwater, either to allow groundwater levels to recover or to replenish artificial groundwater supplies. Conjunctive use also includes long-term storage of water in a groundwater basin.

(5) “County” means the County of San Luis Obispo.

(6) “District” means the Paso Robles Basin Water District, the boundaries of which shall be established and may be modified by the San Luis Obispo County Local Agency Formation Commission.

(7) “Excess extractions” means those extractions in excess of an operator’s extraction allocation or adjusted extraction allocation.

(8) “Extraction” means the act of obtaining groundwater by pumping or other controlled means.

(9) “Extraction allocation” means the amount of groundwater that may be extracted from an extraction facility during a calendar year before a surcharge is imposed.

(10) “Extraction surcharge” means a surcharge assessed annually each time an operator exceeds his or her extraction allocation.

(11) “Extraction facility” means any device or method for the extraction of groundwater within a groundwater basin or aquifer.

(12) “Groundwater” means water beneath the surface of the earth within the zone below the water table in which the soil is completely saturated with water.

(13) “Groundwater basin” means a geologically and hydrologically defined area containing one or more aquifers that store and transmit water yielding significant quantities of water to wells.

(14) “Groundwater management activities” means programs, measures, or actions taken to preserve, protect, and enhance groundwater resources within the territory of the district.

(15) “Groundwater rights adjudication” means the determination of substantially all rights in a groundwater basin or the area subject to the adjudication.

(16) “Operator” means a person who operates a groundwater extraction facility. In the event the district is unable to determine who operates a particular extraction facility, then “operator” shall mean the person to whom the extraction facility is assessed by the county assessor or, if not separately assessed, the person who owns the land upon which the extraction facility is located.

(17) “Overdraft” means the condition of the groundwater basin or aquifer where the average annual amount of water extracted exceeds the average annual supply of water to a basin or aquifer.

(18) “Program” means a groundwater management program prepared by the district pursuant to this act.

(19) “Recharge” means the natural or artificial replenishment of groundwater storage by percolation or injection of one or more sources of water at the surface.

(20) “Replenishment” means spreading water over a permeable area for the purpose of allowing it to percolate to groundwater basins or aquifers, or otherwise adding water to groundwater basins or aquifers.

(21) “Safe yield” means the condition of a groundwater basin when the total average annual groundwater extractions are equal to, or less than, the total average annual groundwater recharge, either naturally or artificially.

(22) “Supplemental water” means surface water or groundwater imported from outside the watershed or watersheds of the groundwater basin or aquifer and floodwaters that are conserved and saved within the watershed or watersheds that would otherwise have been lost or would not have reached the groundwater basin or aquifers.

(23) “Well interference” means a substantial water level decline in a short time period in a localized area caused by pumping from extraction facilities.

(b) This part shall apply only to the Paso Robles Basin Water District.

37901. The Legislature finds and declares that the provisions of this part are enacted in order to provide a governmental framework for the district to balance the supply to and consumption of groundwater within the basin underlying the district, and thereby pursue stabilizing that basin and sustaining its resources for the beneficial use of all who use water within the district.

37902. The creation of the district is not intended to and shall not modify the powers of the County of San Luis Obispo and the San Luis Obispo County Flood Control and Water Conservation District, carried out consistent with applicable law, to manage and protect groundwater resources within the County of San Luis Obispo, including the Paso Robles Groundwater Basin.

37903. If formed, the district shall not involve itself in activities normally and historically undertaken by the county, the San Luis Obispo County Flood Control and Water Conservation District, or other local agency, without the agreement of the agency.

37904. If formed, the board shall provide by resolution the dates on which and the time and place at which regular meetings of the board shall be held. A copy of each resolution establishing the date, time, and place of a regular meeting shall be filed with the secretary of the board and the clerk, or secretary of the legislative body of each of the members. The board shall comply with the provisions of the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5).

CHAPTER 1.5. FORMATION

37905. The formation process shall comply with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Division 3 (commencing with Section 56000) of Title 5 of the Government Code), with the exception of the following provisions:

(a) On or before January 1, 2019, 10 percent of landowners may petition for, or an affected local agency within the county, including the county and the San Luis Obispo County Flood Control and Water Conservation District, may apply for by resolution, the formation of a district, consistent with the following definitions:

(1) “Landowner” means any person who holds title to land within the boundaries of the proposed district as shown on the last assessment roll prepared by the county assessor, or a legal representative of a landowner who holds title to land within the boundaries of the proposed district as shown on the last assessment roll prepared by the county assessor.

(2) “Landowner” does not include individuals, partnerships, corporations, or public agencies holding easements or less than fee interests, including leaseholds of any nature.

(3) “Legal representative” means either of the following:

(A) A duly appointed and acting guardian, executor, or administrator of the estate of a holder of title to land.

(B) One of the following:

(i) If the holder of title is a trust, any trustee of the trust may vote on behalf of the trust.

(ii) If the holder of title is a corporation, the president, vice president, secretary, or other duly designated officer may vote on behalf of the corporation.

(iii) If the holder of title is a limited liability company, any managing member may vote on behalf of the limited liability company.

(iv) An officer or partner with managerial responsibilities of a legal entity not listed in clauses (i) to (iii), inclusive, may vote on behalf of the entity.

(b) Following a successful petition by the landowners or a resolution of application by an affected local agency, an election among landowners shall be conducted on the matter of whether to form the district.

(c) For purposes of a petition to form the district and a vote on the matter to form the district, the following applies:

(1) Each voter, who shall be a landowner as defined in this section, may cast one vote on the matter of a petition and one vote on the matter of an election to form the district. Ownership of multiple parcels of land, in full or in part, shall not entitle any voter to more than one vote.

(2) For land held jointly, owners collectively get one vote. Nothing in this section should be construed to indicate that multiple owners of a property get more than one vote.

(3) In the event any landowner that is a member of the same commonly controlled group, as defined in Section 25105 of the Revenue and Taxation Code, or is a member of a combined reporting group, as defined in paragraph (3) of subdivision (b) of Section 25106.5 of Title 18 of the California Code of Regulations, or under common ownership with, another landowner in the district, all members of the commonly controlled group or combined reporting group will be deemed a single landowner for the purpose of this subdivision.

(4) Each public agency that holds title to land within the district shall be entitled to one vote.

(5) No person shall vote by proxy unless his or her authority to cast that vote is evidenced by an instrument acknowledged and filed with the board of election.

(6) If from the election returns a majority of the votes cast at the election were in favor of the formation of the district, the formation of the district shall be complete.

(d) Recognizing that an election is needed to form the Paso Robles Basin Water District, the protest provisions of the Cortese-Knox-Hertzberg Reorganization Act of 2000 as they pertain to the formation of a district, do not apply.

CHAPTER 2. ELECTIONS

37910. Notwithstanding any other law or the bylaws of the district, all elections for the board of directors of the district shall be conducted in accordance with this part.

37911. The composition of the board of directors shall be as follows:

(a) There shall be a total of nine directors. A person may only be a candidate for one director.

(b) Six of the directors shall be qualified for office by being persons who hold title to land within the district or persons authorized to vote in elections by landowners, as provided in Section 37913. Each director shall be elected by landowners within the district as provided by Article 1 (commencing with Section 35003) of Chapter 1 of Part 4, except that each voter shall be entitled to cast one vote for each acre owned by the voter within the district. If the voter owns less than one acre, the voter shall be entitled to one vote and any fraction shall be rounded to the nearest full acre.

(1) For the purposes of election of the six directors described by this subdivision, landowners within the district shall be divided into three classes as follows:

(A) "Large landowners," meaning holders of title owning a total of 400 acres or more.

(B) "Medium landowners," meaning holders of title owning a total of 40 acres or more but less than 400 acres.

(C) "Small landowners," meaning holders of title owning a total of less than 40 acres of land.

(2) Of the six directors elected pursuant to this subdivision, large landowners shall elect two directors, medium landowners shall elect two directors, and small landowners shall elect two directors.

(3) Candidates for the six directors elected pursuant to this subdivision may be within any landowner class.

(c) Three of the directors shall be elected by registered voters within the district at large.

(d) (1) All directors qualified under subdivision (b) shall reside within the district, within two miles of the district boundary, or within the boundaries of the City of Paso Robles, the Atascadero Mutual Water Company, the Templeton Community Services District, the San Miguel Community Services District, or the San Luis Obispo County Service Area 16.

(2) All directors qualified under subdivision (c) shall be registered voters residing within the district.

37912. District elections shall be conducted in conformance with the Uniform District Election Law (Part 4 (commencing with Section 10500) of Division 10 of the Elections Code) and the laws generally applicable to districts created and operated pursuant to this division, provided the following shall apply:

(a) Separate ballots shall be prepared and separate elections shall be conducted for those director positions which will be elected by resident voters and for those which will be elected by landowner voters. Notwithstanding Section 10555 of the Elections Code, these landowner voter elections and resident voter elections shall be conducted simultaneously.

(b) District elections shall be conducted by all-mailed ballots pursuant to Section 4108 of the Elections Code. Separate voter lists of resident voters and landowner voters eligible to vote within the district shall be prepared and maintained according to applicable provisions of law, including Section 10525 of the Elections Code. Separate all-mailed ballot elections shall be held for the directors to be elected by resident voters and for those to be elected by landowner voters.

(c) The directors elected upon formation of the district shall hold office pursuant to Section 10505 of the Elections Code. For the purposes of implementing this section, the director positions elected by large landowners shall be divided into two director term classes, the directors elected by medium landowners shall be divided into two director term classes, the directors elected by small landowners shall be divided into two director term classes, and the directors elected by registered voters shall be divided into two director term classes.

(d) Elections of directors shall be held on the first Tuesday after the first Monday in October of each odd-numbered year.

(e) The voters list used for the purpose of an election of directors shall be based upon the last assessment roll prepared by the county assessor, which shall be conclusive evidence of ownership and the acreage for purposes of electing directors in accordance with subdivision (b) of Section 37911. The voters list shall be amended if satisfactory evidence of a change in ownership is presented at least 45 days prior to the election to the elections official in the case of the formation election, and thereafter to the district secretary. The county assessor shall be reimbursed by the district for all costs incurred in determining the ownership and acreage information and providing the information to the county clerk.

(f) For purposes of the Uniform District Election Law (Part 4 (commencing with Section 10500) of Division 10 of the Elections Code), the district is a landowner voting district.

37913. Notwithstanding any other provision of this division or the Uniform District Election Law (Part 4 (commencing with Section 10500) of Division 10 of the Elections Code), for the purposes of election participation by landowners, the following definitions apply:

(a) “Landowner” means any person who holds title to land within the boundaries of the proposed district as shown on the last assessment roll prepared by the county assessor, or a legal representative of a landowner who holds title to land within the boundaries of the proposed district as shown on the last assessment roll prepared by the county assessor.

(b) “Landowner” does not include individuals, partnerships, corporations, or public agencies holding easements or less than fee interests, including leaseholds of any nature.

(c) “Legal representative” means either of the following:

(1) A duly appointed and acting guardian, executor, or administrator of the estate of a holder of title to land.

(2) One of the following:

(A) If the holder of title is a trust, any trustee of the trust may vote on behalf of the trust.

(B) If the holder of title is a corporation, the president, vice president, secretary, or other duly designated officer may vote on behalf of the corporation.

(C) If the holder of title is a limited liability company, any managing member may vote on behalf of the limited liability company.

(D) An officer or partner with managerial responsibilities of a legal entity not listed in subparagraphs (A) to (C), inclusive, may vote on behalf of the entity.

CHAPTER 3. GROUNDWATER MANAGEMENT AUTHORITY

37920. All powers in this part are subject to review and approval by the San Luis Obispo County Local Agency Formation Commission, upon formation, change of organization, or reorganization under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Division 3 (commencing with Section 56000) of Title 5 of the Government Code).

37921. The board may adopt ordinances for the purpose of regulating, conserving, managing, and controlling the use and extraction of groundwater within the territory of the district. All ordinances shall be adopted, after noticed public hearings by a majority vote of the board. Notice of the adoption of all ordinances shall be given. The ordinances of the district shall become effective on the 31st day after adoption except that the board may, by the vote of at least four members of the board, dispense with notice of public hearing and adopt an emergency ordinance that shall become effective immediately upon adoption, if the board determines that the public health, safety, or welfare so requires.

37922. Any person who intentionally violates any provision of this act or any district ordinance shall be guilty of an infraction and may be required to pay a fine to the district not to exceed five hundred dollars (\$500).

37923. Any person who negligently or intentionally violates any provision of this act or any district ordinance may also be liable civilly to the district for a sum not to exceed one thousand dollars (\$1,000) per day for each day of violation, in addition to any other penalties that may be prescribed by law.

37924. Upon the failure of any person to comply with any provision of this act or any district ordinance, the district may petition the superior court for a temporary restraining order, preliminary or permanent injunction, or other equitable relief as may be appropriate. The right to petition for injunctive relief is an

additional right to those that may be provided elsewhere in this act or otherwise allowed by law.

37925. The district may petition the superior court of the county to recover any sums due the district. In order to preserve and manage the groundwater resources within its territory, the district may also commence, maintain, intervene in, defend, compromise, and assume the costs and expenses of legal actions and administrative proceedings now or hereafter begun involving groundwater, including, but not limited to, groundwater rights adjudication.

37926. The district may contract with the county, the San Luis Obispo County Flood Control and Water Conservation District, or other local district for staff and other services and may hire other contractors and consultants as it considers appropriate.

37927. The district may exclude from any of the requirements of this act, or the operation of any ordinance, any operator who extracts less than a minimum amount of groundwater as specified by ordinance adopted by the board.

37928. The district may collect data and conduct technical and other investigations deemed necessary in order to carry out the provisions of this act. All hydrological investigations and studies carried out by or on behalf of the district shall be conducted by or under the supervision of licensed engineers or other persons qualified in groundwater geology or hydrology.

37929. The district may prepare annually or receive reports on groundwater and supplemental water supplies and conditions in the territory of the district, including groundwater management and conjunctive use objectives and a plan for implementation of those objectives.

37930. The district may recommend and encourage wastewater reuse and other water development projects, if those projects will enhance and contribute to the responsible management of groundwater resources, as part of its annual plan for implementation of groundwater management objectives.

37931. In addition to the powers identified here, the district shall have the authority afforded to local agencies as provided in Part 2.75 (commencing with Section 10750) of Division 6 as that part may be amended, consistent with the requirements and limitations of applicable law.

CHAPTER 4. GROUNDWATER MANAGEMENT PLANS

37940. In order to balance the water supply and demand within the Paso Robles Groundwater Basin, the district may do the following:

(a) Develop, adopt, and implement a groundwater management plan to control extractions from the Paso Robles Groundwater Basin aquifers with the objective of balancing water supply and demand in the region.

(b) The groundwater management plan may also include and address the following:

(1) Existing groundwater storage.

(2) Long-term recoverable storage, including an estimate of nonrecoverable storage.

(3) The expected adverse effects of projected extractions.

37941. The groundwater management plan may establish distinct zones or regions based on the geology of the basin, land use, water use, the location of extraction facilities, or other concerns as determined by the board.

37942. The groundwater management plan may include a policy for the issuance of new well permits that takes into consideration the location of proposed wells and area of use, projected extractions from the wells, and the effect of the extractions on existing users and on storage. In developing the management plan, the district may consider a ban on new irrigated acreage or new municipal water system wells. The district may include a contingency plan to deal with seawater intrusion, basin contamination, or other risks that could impair the ability to rely on the basin for groundwater.

CHAPTER 5. GROUNDWATER MANAGEMENT

37950. If the board determines after a noticed public hearing, and consideration of any relevant investigations, studies, and evidence, that groundwater management activities are necessary in order to improve or protect the quantity or quality of groundwater supplies within a groundwater basin or aquifer, the board may, by ordinance, exercise any of the following powers:

(a) Require conservation practices and measures within the affected portion of its territory.

(b) Control groundwater extractions by regulating, limiting, or suspending extractions from extraction facilities, the construction of new extraction facilities, the enlarging of existing extraction facilities, and the reactivation of abandoned extraction facilities.

(c) Commence and prosecute legal actions to enjoin unreasonable uses or methods of use of water within the district or outside the territory of the district to the extent those uses or methods of use adversely affect the groundwater supply within the district.

(d) Impose spacing requirements on new extraction facility construction to minimize well interference.

(e) Impose reasonable operating regulations on extraction facilities to minimize well interference, including requiring pumpers to operate on a rotation basis.

(f) Require extraction facilities to be registered with the district within 30 days of notice being given to the operator of the extraction facility.

(g) Require that the operator of a registered extraction facility provide the district annually with the following information regarding the extraction facility:

(1) The name and address of the operator of the extraction facility.

(2) The name and address of the owner of the land upon which the extraction facility is located.

(3) A description of the equipment associated with the extraction facility.

(4) The location of the water extraction facility.

(h) Require extraction facilities to be equipped with waterflow measuring devices installed and calibrated by the district or, at the district's option, by the extraction facility operator.

37951. When an extraction facility is equipped with a waterflow measuring device, the record of extraction, as disclosed by the waterflow measuring device, may, at the election of the board, be presumed to be accurate, and shall be used as the basis for computing the water extraction of the extraction facility in completing the groundwater extraction statement.

37952. The district may, by ordinance, require proof of the accuracy of the waterflow measuring device from the operator and may, absent adequate proof of accuracy, order the operator, at the operator's sole cost, to have the waterflow measuring device

calibrated in a manner acceptable to the district. If the district has probable cause to believe that the extraction of groundwater from any extraction facility is in excess of the amount reported in groundwater extraction statements, or if no statements are filed covering an extraction facility, the district may investigate the extraction of water from each extraction facility.

37953. The board may, by ordinance, establish reasonable methods to be used in computing the amount of water extracted by extraction facilities.

37954. The district may, by ordinance, require the operator of each extraction facility to file semiannually, or more frequently, with the district, a groundwater extraction statement that contains, but is not limited to, the following information:

(1) Total extraction in acre-feet of water from the extraction facility for the preceding groundwater extraction statement period.

(2) The static groundwater level for the extraction facility.

(3) A description of the location of the extraction facility.

(4) The crop types or other uses and the acreage served by the extraction facility.

(5) The method of measuring or computing groundwater extraction.

(6) Other information deemed reasonable and necessary by the board to meet the purposes of this act.

37955. If required by ordinance, each groundwater extraction statement shall be verified by a written declaration under penalty of perjury that the information contained in the statement is true and correct. The operator of an extraction facility that has been permanently abandoned after January 1, 2015, shall give written notice of the abandonment to the district.

CHAPTER 6. GROUNDWATER EXTRACTION CHARGES

37960. The district may, by ordinance, levy groundwater extraction charges, including volumetric charges intended to provide an incentive for reduced water use, on the extraction of groundwater from all water extraction facilities within the territory of the district for the purposes of paying the costs of initiating, carrying on, and completing any of the powers, purposes, and groundwater management activities described in this act. Any

groundwater extraction charges shall be uniform for groundwater extraction within the territory of the district.

37961. The Legislature hereby finds and determines that the groundwater management activities of the district are of equal benefit to all operators of groundwater extraction facilities within the territory of the district.

37962. If any operator of any extraction facility fails to pay a groundwater extraction charge when due, the district may charge and collect interest at the rate of 1 ½ percent each month on the delinquent amount of the groundwater extraction charge. In addition, the district may exercise any of the provisions of Sections 75630 to 75633, inclusive, for the purpose of collecting delinquent groundwater extraction charges.

37963. All moneys collected by the district pursuant to this act shall be available for expenditure by the district to carry out its groundwater management functions pursuant to this act.

37964. The district may, by ordinance, establish an operator's extraction allocation for each groundwater extraction facility located within the district. The district may, by ordinance, impose upon the operator of any groundwater extraction facility located within the district, extraction surcharges, including volumetric surcharges intended to provide an incentive for reduced water use, for extractions in excess of his or her extraction allocation and late penalties for nonpayment of extraction surcharges.

37965. The Legislature hereby finds and declares the following:

(a) Extraction allocations and extraction surcharges authorized pursuant to this chapter are necessary to eliminate overdraft caused by excess extractions from the aquifer systems within the district and to bring the groundwater basins underlying the territory to safe yield within 10 years of the formation of the district and to sustain that safe yield thereafter.

(b) The extraction surcharges are intended to discourage the use of groundwater beyond the extraction allocation. They are not intended to generate tax revenues or proceeds from regulatory licenses, user charges, or user fees. Consequently, they are not special taxes for purposes of Section 4 of Article XIII A of the California Constitution or proceeds of taxes for purposes of Section 8 of Article XIII B of the California Constitution.

37966. The maximum amount of the extraction surcharge shall be two hundred dollars (\$200) per acre-foot of groundwater

extracted in excess of the extraction allocation, except that the district may increase the maximum amount of the extraction surcharge to an amount that is necessary to achieve safe yield.

37967. If an operator of a groundwater extraction facility fails to pay the extraction surcharge when due, the district shall charge and collect a late penalty at the rate of 1 ½ percent each month, or portion thereof, on the delinquent amount of the extraction surcharge.

37968. The district may bring a cause of action, in any court having jurisdiction, against an operator of a groundwater extraction facility for the collection of any delinquent extraction surcharge, and Article 5 (commencing with Section 75630) of Chapter 3 of Part 9 of Division 21 applies to those actions.

37969. In addition to any other authority, the district may order that an extraction surcharge or late penalty be a personal obligation of the operator or an assessment against the property on which the extraction facility is located. The assessment constitutes a lien upon the property, and the lien attaches upon recordation in the office of the county recorder. The assessment may be collected at the same time and in the same manner as ordinary ad valorem taxes are collected, and shall be subject to the same penalties and the same procedure and sale in case of delinquency as provided for those taxes. All laws applicable to the levy, collection, and enforcement of ad valorem taxes shall be applicable to an assessment, except that, if any real property to which the lien would attach has been transferred or conveyed to a bona fide purchaser for value, or if a lien of a bona fide encumbrancer for value has been created and attaches thereon prior to the date on which the first installment of the taxes would become delinquent, the lien that would otherwise be imposed by this section shall not attach to the real property and an assessment relating to the property shall be transferred to the unsecured roll for collection.

SEC. 2. The Legislature finds and declares that a special law is necessary and that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique circumstances in the service area of the Paso Robles Basin Water District.

SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school

district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

Approved _____, 2014

Governor