

AMENDED IN ASSEMBLY FEBRUARY 26, 2014

AMENDED IN ASSEMBLY FEBRUARY 24, 2014

SENATE BILL

No. 104

Introduced by Committee on Budget and Fiscal Review

January 10, 2013

An act to amend Section 8683 of the Government Code, to amend Section 50661 of, to add Section 50716 to, and to add Chapter 3 (commencing with Section 34085) to Part 1.6 of Division 24 of, the Health and Safety Code, to amend Sections 10201.5, 10214.5, and 10214.6 of the Unemployment Insurance Code, *and* to amend Sections 1052, 1058.5, 1551, 1831, and 1845 of, and to add Sections 1846 and 13562.5 to, the Water Code, relating to drought relief, making an appropriation therefor, to take effect immediately, bill related to the budget.

LEGISLATIVE COUNSEL'S DIGEST

SB 104, as amended, Committee on Budget and Fiscal Review.
Drought relief.

(1) The California Constitution requires the reasonable and beneficial use of water. Under the public trust doctrine, the State Water Resources Control Board, among other state agencies, is required to take the public trust into account in the planning and allocation of water resources and to protect the public trust whenever feasible. Existing law establishes the Water Rights Fund, which consists of various fees and penalties. The moneys in the Water Rights Fund are available, upon appropriation by the Legislature, for the administration of the board's water rights program.

This bill would provide that a person or entity in violation of a term or condition of a permit, license, certificate, or registration issued or *an*

order adopted by the board, ~~as prescribed, or the public trust doctrine, or an emergency regulation described in paragraph (b)~~, is liable in an amount not to exceed \$500 for each day in which the violation occurs. These funds would be deposited in the Water Rights Fund.

(2) Existing law, the California Emergency Services Act sets forth the emergency powers of the Governor under its provisions.

This bill would provide that the provisions of this bill described in (1) apply only in a critically dry year immediately preceded by 2 or more consecutive below normal, dry, or critically dry years, or during a period for which the Governor has issued a proclamation of a state of emergency based on drought conditions.

(3) Under existing law, the Disaster Assistance Fund is continuously appropriated, without regard to fiscal years, for purposes of the California Disaster Assistance Act. Existing law requires the Director of the Office of Emergency Services, whenever funds are available for purpose of the act, to make allocations in the amounts that the director determines to be necessary to state agencies for making the investigations, estimates, and reports required by the act.

This bill would authorize the director, when a proclamation of a state of emergency has been issued, to make allocations of funds available for the purposes of the act in the amounts that the director determines necessary to state agencies for expenditures incurred performing extraordinary emergency measures. This bill would prohibit these allocations from being made to reimburse employee costs related to emergency work activities or any permanent repairs to the agency's own facilities.

(4) Existing law declares that the diversion or use of water other than as authorized by specified provisions of law is a trespass. Existing law authorizes the imposition of civil liability for a trespass in an amount not to exceed \$500 for each day in which the trespass occurs.

This bill would authorize the imposition of civil liability by the board or superior court in an amount not to exceed the sum of \$1,000 for each day in which the trespass occurs and \$2,500 for each acre-foot of water diverted or used ~~other than as authorized~~ *in excess of that diverter's water rights* during a critically dry year immediately preceded by 2 or more consecutive below normal, dry, or critically dry years or during a period for which the Governor has issued a proclamation of a state of emergency based on drought conditions.

(5) Under existing law, a person who violates a cease and desist order may be liable in an amount not to exceed \$1,000 for each day in which

the violation occurs. Revenue generated from these penalties is deposited in the Water Rights Fund.

This bill, for a violation occurring in a critically dry year immediately preceded by 2 or more consecutive below normal, dry, or critically dry years or during a period for which the Governor has issued a proclamation of a state of emergency based on drought conditions, would authorize a person violating a cease and desist order to be liable in an amount not to exceed \$10,000 for each day in which the violation occurs.

(6) Under existing law, emergency regulations of the board are not subject to review by the Office of Administrative Law if the board adopts findings that the emergency regulation is adopted to prevent the waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion, of water to promote wastewater reclamation, or to promote water conservation, and that the emergency regulation is adopted in response to conditions which exist, or are threatened, in a critically dry year immediately preceded by 2 or more consecutive dry or critically dry years.

This bill also would allow the adoption of emergency regulations by the board if the board finds the emergency regulation is adopted to require curtailment of diversions when water is not available under the diverter's priority of right. This bill instead would require the emergency regulation to be adopted in response to conditions which exist, or are threatened, in a critically dry year immediately preceded by 2 or more consecutive below normal, dry, or critically dry years or during a period for which the Governor has issued a proclamation of a state of emergency based on drought conditions. This bill would make a violation of a regulation adopted by the board under these provisions an infraction punishable by a fine of up to \$500 for each day in which the violation occurs. By creating a new crime, this bill would impose a state-mandated local program.

Existing law provides that these emergency regulations are authorized to remain in effect for up to 270 days, as prescribed.

This bill would permit an emergency regulation adopted under these provisions to be renewed if the board determines that the above-described conditions are still in effect.

(7) Existing law authorizes the board to issue a cease and desist order against a person who is violating, or threatening to violate, certain requirements, including requirements set forth in a decision or order relating to the unauthorized use of water.

This bill would authorize the board to issue a cease and desist order in response to a violation or threatened violation of an emergency regulation adopted pursuant to the provisions described in (6).

(8) Existing law requires the State Department of Public Health to adopt uniform water recycling criteria for indirect potable water reuse for groundwater recharge, as defined, by December 31, 2013.

This bill would require the State Department of Public Health, no later than June 30, 2014, to adopt by emergency regulations requirements for groundwater replenishment using recycled water.

(9) Existing law creates the Housing Rehabilitation Loan Fund and continuously appropriates moneys in the fund for, among other purposes, making specified deferred payment housing rehabilitation loans.

This bill, to the extent no other funding sources are available, would make available \$10,000,000 in the fund to the department for the purpose of providing housing rental-related subsidies to persons rendered homeless, or at risk of becoming homeless, due to unemployment, underemployment, or other economic hardship resulting from the state of emergency proclaimed by the Governor based on drought conditions. This bill would authorize the department to administer the housing rental-related subsidies or contract with qualified local government agencies or nonprofit organizations to administer the program.

(10) Existing law authorizes the Department of Housing and Community Development to contract with local public and private nonprofit agencies to provide housing services, including shelter, education, sanitation, and day care services, for migrant agricultural workers, through the development, construction, reconstruction, rehabilitation, or operation of a migrant farm labor center.

This bill would require the department to make the Office of Migrant Services centers available for rent by persons or families experiencing economic hardships as a result of the drought.

(11) Existing law authorizes the Employment Development Department to collect and administer an employment training tax. Existing law establishes the Employment Training Panel (ETP) in the Employment Development Department, and prescribes the functions and duties of the ETP with respect to the development, implementation, and administration of various employment training programs in the state. Existing law requires the ETP to establish the Partnership for Workforce Recovery Training for the purpose of supporting and implementing the workforce development goals set forth in the federal American Recovery and Reinvestment Act of 2009.

This bill would eliminate the requirement that the ETP establish the Partnership for Workforce Recovery Training, and would instead require the ETP to develop and publish guidelines for the purpose of supporting and implementing one or more alternative fund programs to reimburse the cost of training using funds from a source other than the employment training tax.

This bill would require the ETP, as needed in response to a proclamation of a state of emergency issued by the Governor under the California Emergency Services Act, to identify industries and occupations that shall be priorities for training funds for the purpose of funding special employment training projects that improve the skills and employment security of frontline workers and to waive specified wage and employment retention provisions.

Existing law, with respect to funds appropriated in the annual Budget Act to the department for allocation by the ETP for the training of workers in regions suffering from high unemployment and low job creation, authorizes the ETP to waive the minimum wage requirements for participation in the program in certain circumstances.

This bill would provide that the ETP may waive the minimum wage requirements with respect to funds appropriated to the department for allocation by the ETP in the annual Budget Act for training of workers in regions identified in a proclamation of a state of emergency issued by the Governor under the California Emergency Services Act.

(12) Existing law, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, an initiative bond act, authorizes the issuance of bonds in the amount of \$5,388,000,000 for the purposes of financing a safe drinking water, water quality and supply, flood control, and resource protection program.

This bill would appropriate \$472,500,000 from these bond funds for the purposes of integrated regional water management grants.

(13) The bill would require, to the extent feasible and appropriate, water conservation and drought response projects funded pursuant to these provisions and the provisions of the bill described in paragraph (15) to use the services of the California Conservation Corps or certified community conservation corps.

(14) 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.

(15) This bill would become operative only if AB 79 or SB 103 is enacted, amending the Budget Act of 2013.

(16) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: yes.

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

1 SECTION 1. The Legislature finds and declares that California
2 is experiencing an unprecedented dry period and shortage of water
3 for its citizens, local governments, agriculture, environment, and
4 other uses. The purpose of this act is to enact urgent legislation to
5 appropriate funds and expedite administrative actions to increase
6 water supply reliability consistent with the state’s economic, health
7 and safety, and resource protection laws.

8 SEC. 2. Section 8683 of the Government Code is amended to
9 read:

10 8683. (a) Whenever funds are available for purposes of this
11 chapter, the director shall make allocations from the funds available
12 in the amounts that he or she determines to be necessary to state
13 agencies for expenditure for making the investigations, estimates,
14 and reports required by this chapter. Those allocations may also
15 be made to provide for preliminary investigations, estimates,
16 reports, training of state agency personnel, or to reimburse the
17 state agencies for expenditures made in anticipation of actual
18 applications by local agencies. Allocations may also be made for
19 the purpose of making any investigations, estimates, and reports
20 that may be necessary to enable local agencies to obtain federal
21 aid for disaster relief purposes, regardless of whether or not that
22 aid is available for projects that are eligible for state allocations
23 pursuant to this chapter. The director may make allocations to any
24 state agency or office from those funds, or other funds available
25 therefor, in the amounts that are necessary to administer this
26 chapter.

27 (b) When a proclamation of a state of emergency has been issued
28 by the Governor under the California Emergency Services Act
29 (Chapter 7 (commencing with Section 8550)) and funds are
30 available for purposes of this chapter, the director may make
31 allocations from the funds available in the amounts that the director

1 determines necessary to state agencies for expenditures incurred
2 performing extraordinary emergency measures. An allocation
3 pursuant to this subdivision is at the discretion of the director, but
4 an allocation shall not reimburse either of the following:

- 5 (1) Employee costs related to emergency work activities.
- 6 (2) Any permanent repairs to the agency's own facilities.

7 SEC. 3. Chapter 3 (commencing with Section 34085) is added
8 to Part 1.6 of Division 24 of the Health and Safety Code, to read:

9

10 CHAPTER 3. DROUGHT HOUSING RENTAL SUBSIDIES

11

12 34085. (a) The department shall provide housing rental-related
13 subsidies for the purposes of disaster relief to persons rendered
14 homeless or at risk of becoming homeless due to unemployment,
15 underemployment, or other economic hardship resulting from the
16 state of emergency proclaimed by the Governor on January 17,
17 2014. The housing rental-related subsidies shall provide rental
18 assistance to individuals who are unemployed or underemployed
19 because agricultural or other businesses are affected by the drought
20 conditions and to other persons that have suffered economic losses
21 due to the drought conditions.

22 (b) The department may administer the housing rental-related
23 subsidies or contract with qualified local government agencies or
24 nonprofit organizations to administer the subsidies.

25 (c) The department shall adopt guidelines establishing criteria
26 for the subsidies, including, but not limited to, eligibility, income
27 limits, and subsidy amounts.

28 34086. Any rule, policy, or standard of general application
29 employed by the department in implementing the provisions of
30 this chapter shall not be subject to the requirements of the
31 Administrative Procedure Act (Chapter 3.5 (commencing with
32 Section 11340) of Part 1 of Division 3 of Title 2 of the Government
33 Code).

34 SEC. 4. Section 50661 of the Health and Safety Code is
35 amended to read:

36 50661. (a) There is hereby created in the State Treasury the
37 Housing Rehabilitation Loan Fund. All interest or other increments
38 resulting from the investment of moneys in the Housing
39 Rehabilitation Loan Fund shall be deposited in the fund,
40 notwithstanding Section 16305.7 of the Government Code.

1 Notwithstanding Section 13340 of the Government Code, all
2 money in the fund is continuously appropriated to the department
3 for the following purposes:

4 (1) For making deferred-payment rehabilitation loans for
5 financing all or a portion of the cost of rehabilitating existing
6 housing to meet rehabilitation standards as provided in this chapter.

7 (2) For making deferred payment loans as provided in Sections
8 50668.5, 50669, and 50670.

9 (3) For making deferred payment loans pursuant to Sections
10 50662.5 and 50671.

11 (4) Subject to the restrictions of Section 53131, if applicable,
12 for administrative expenses of the department made pursuant to
13 this chapter, Article 3 (commencing with Section 50693) of Chapter
14 7.5, and Chapter 10 (commencing with Section 50775).

15 (5) For related administrative costs of nonprofit corporations
16 and local public entities contracting with the department pursuant
17 to Section 50663 in an amount, if any, as determined by the
18 department, to enable the entities and corporations to implement
19 a program pursuant to this chapter. The department shall ensure
20 that not less than 20 percent of the funds loaned pursuant to this
21 chapter shall be allocated to rural areas. For purposes of this chapter
22 “rural area” shall have the same meaning as in Section 50199.21.

23 (6) To the extent no other funding sources are available, ten
24 million dollars (\$10,000,000) shall be available for the purposes
25 of Section 34085.

26 (b) There shall be paid into the fund the following:

27 (1) Any moneys appropriated and made available by the
28 Legislature for purposes of the fund.

29 (2) Any moneys that the department receives in repayment of
30 loans made from the fund, including any interest thereon.

31 (3) Any other moneys that may be made available to the
32 department for the purposes of this chapter from any other source
33 or sources.

34 (4) Moneys transferred or deposited to the fund pursuant to
35 Sections 50661.5 and 50778.

36 (c) Notwithstanding any other provision of law, any interest or
37 other increment earned by the investment or deposit of moneys
38 appropriated by subdivision (b) of Section 3 of Chapter 2 of the
39 Statutes of the 1987–88 First Extraordinary Session, or Section 7
40 of Chapter 4 of the Statutes of the 1987–88 First Extraordinary

1 Session, shall be deposited in a special account in the Housing
2 Rehabilitation Loan Fund and shall be used exclusively for
3 purposes of Sections 50662.5 and 50671.

4 (d) Notwithstanding any other provision of law, effective with
5 the date of the act adding this subdivision, appropriations
6 authorized by the Budget Act of 1996 for support of the
7 Department of Housing and Community Development from the
8 California Disaster Housing Repair Fund and the California
9 Homeownership Assistance Fund shall instead be authorized for
10 expenditure from the Housing Rehabilitation Loan Fund.

11 SEC. 5. Section 50716 is added to the Health and Safety Code,
12 to read:

13 50716. (a) Notwithstanding any other law, to respond to the
14 state of emergency proclaimed by the Governor on January 17,
15 2014, the department shall, directly or through contracts, make the
16 Office of Migrant Services centers available for rent by persons
17 or families experiencing economic hardships as a result of the
18 drought. This may include, but is not limited to, extending the
19 period of occupancy prior to or beyond the standard 180-day period
20 and redefining persons and families eligible to occupy the centers.
21 To the extent feasible, the department shall give preference to
22 persons and families that meet existing program criteria.

23 (b) The department may adopt program guidelines to implement
24 this section. Any rule, policy, or standard of general application
25 employed by the department in implementing the provisions of
26 this section shall not be subject to the requirements of the
27 Administrative Procedure Act (Chapter 3.5 (commencing with
28 Section 11340) of Part 1 of Division 3 of Title 2 of the Government
29 Code).

30 SEC. 6. Section 10201.5 of the Unemployment Insurance Code
31 is amended to read:

32 10201.5. With respect to funding appropriated in the annual
33 Budget Act to the Employment Development Department for
34 allocation by the Employment Training Panel and identified for
35 training of workers in regions suffering from high unemployment
36 and low job creation or regions identified in a proclamation of a
37 state of emergency issued by the Governor under the California
38 Emergency Services Act (Chapter 7 (commencing with Section
39 8550) of Division 1 of Title 2 of the Government Code), the panel,
40 notwithstanding subdivision (f) of Section 10201, may waive the

1 minimum wage requirements included in that subdivision provided
2 that the post-retention wage of each trainee who has completed
3 training and the required training period exceeds his or her wage
4 before and during training. This determination shall be made on
5 a case-by-case basis to ensure that post-training improvements in
6 earnings are sufficient to warrant the investment of public funds.

7 SEC. 7. Section 10214.5 of the Unemployment Insurance Code
8 is amended to read:

9 10214.5. (a) The panel may allocate up to 15 percent of the
10 annually available training funds for the purpose of funding special
11 employment training projects that improve the skills and
12 employment security of frontline workers, as defined in subdivision
13 (a) of Section 10200. Notwithstanding any other provision of this
14 chapter, participants in these projects are not required to meet the
15 eligibility criteria set forth in paragraph (1) of subdivision (a) of
16 Section 10200 or subdivision (c) of Section 10201.

17 (b) The panel shall, on an annual basis or as needed in response
18 to a proclamation of a state of emergency issued by the Governor
19 under the California Emergency Services Act (Chapter 7
20 (commencing with Section 8550) of Division 1 of Title 2 of the
21 Government Code), identify industries and occupations that shall
22 be priorities for funding under this section. Training shall be
23 targeted, but not limited, to frontline workers who earn at least the
24 state average hourly wage.

25 (c) The panel may waive the minimum wage provisions pursuant
26 to subdivision (f) of Section 10201 for projects in regions of the
27 state where the unemployment rate is significantly higher than the
28 state average or regions identified in a proclamation of a state of
29 emergency issued by the Governor under the California Emergency
30 Services Act (Chapter 7 (commencing with Section 8550) of
31 Division 1 of Title 2 of the Government Code), and also may waive
32 the employment retentions provisions specified in subdivision (f)
33 of Section 10209 and instead require that the trainee has been
34 retained in employment for a minimum of 90 days out of 120
35 consecutive days after the end of training with no more than three
36 employers.

37 (d) (1) The panel may allocate funds pursuant to subdivision
38 (a) to increase the productivity and extended employment retention
39 of workers in the state's major seasonal industries.

1 (2) In funding special employment training projects for this
2 purpose, the panel may do all of the following:

3 (A) When the amount of the postretention wages of each trainee
4 who has completed training exceeds the amount of wages that the
5 trainee earned before and during training, waive the minimum
6 wage requirements set forth in subdivision (f) of Section 10201.

7 (B) Waive the employment retention requirements set forth in
8 subdivision (f) of Section 10209 and instead require that the trainee
9 be retained in employment for not less than 500 hours within the
10 12-month period following the completion of the training.

11 (C) When the panel finds that the training is necessary to achieve
12 the objectives of vocational training, waive the limitation on
13 job-related basic and literacy skills training set forth in subdivision
14 (a) of Section 10209.

15 (3) For purposes of this section, “major seasonal industries”
16 means eligible employers who satisfy all of the following
17 requirements:

18 (A) Have a workforce comprised of at least 50 percent of
19 workers whose employment period is necessarily cyclical,
20 including, but not limited to, businesses directly involved in the
21 harvesting, packing, or processing of goods or products.

22 (B) Have retained at least 50 percent of the same seasonal
23 employees for at least one season of not less than 500 hours for
24 the preceding 12-month period.

25 (C) Pay wages and provide benefits that exceed industry
26 averages.

27 (e) The panel shall adopt minimum standards for consideration
28 of proposals to be funded pursuant to this section.

29 (f) The panel may select contracts funded under this section
30 based on competitive bidding.

31 (g) It is the intent of the Legislature in providing the authority
32 for these projects that the panel allocate these funds in a manner
33 consistent with the objectives of this chapter as provided in Section
34 10200.

35 SEC. 8. Section 10214.6 of the Unemployment Insurance Code
36 is amended to read:

37 10214.6. (a) The panel shall develop and publish guidelines
38 for the purpose of supporting and implementing one or more
39 alternative fund programs to reimburse the cost of training
40 consistent with the purposes of this part, using funds from a source

1 other than the employment training tax. The alternative funds may
2 be from any federal, state, or local governmental entity, as
3 appropriated in statute or other means. The guidelines shall include
4 adequate fiscal and accounting controls, as prescribed in
5 subdivision (f) of Section 10205.

6 (b) The panel may adopt any regulations necessary to implement
7 this section, but any regulations so adopted are exempt from the
8 requirements of Chapter 3.5 (commencing with Section 11340) of
9 Part 1 of Division 3 of Title 2 of the Government Code.

10 (c) The panel may solicit proposals and enter into contracts or
11 other agreements to secure funding for the purposes of this section,
12 but those proposals, contracts, and agreements shall be exempt
13 from any competitive bidding requirements otherwise prescribed
14 in statute.

15 SEC. 9. Section 1052 of the Water Code is amended to read:

16 1052. (a) The diversion or use of water subject to this division
17 other than as authorized in this division is a trespass.

18 (b) The Attorney General, upon request of the board, shall
19 institute in the superior court in and for any county where the
20 diversion or use is threatened, is occurring, or has occurred an
21 action for the issuance of injunctive relief as may be warranted by
22 way of temporary restraining order, preliminary injunction, or
23 permanent injunction.

24 (c) Any person or entity committing a trespass as defined in this
25 section may be liable in an amount not to exceed the following:

26 (1) If the unauthorized diversion or use occurs in a critically
27 dry year immediately preceded by two or more consecutive below
28 normal, dry, or critically dry years or during a period for which
29 the Governor has issued a proclamation of a state of emergency
30 under the California Emergency Services Act (Chapter 7
31 (commencing with Section 8550) of Division 1 of Title 2 of the
32 Government Code) based on drought conditions, the sum of the
33 following:

34 (A) One thousand dollars (\$1,000) for each day in which the
35 trespass occurs.

36 (B) Two thousand five hundred dollars (\$2,500) for each
37 acre-foot of water diverted or used ~~other than as authorized in this~~
38 *division in excess of that diverter's water rights.*

1 (2) If the unauthorized diversion or use is not described by
2 paragraph (1), five hundred dollars (\$500) for each day in which
3 the unauthorized diversion or use occurs.

4 (d) Civil liability for a violation of this section may be imposed
5 by the superior court or the board as follows:

6 (1) The superior court may impose civil liability in an action
7 brought by the Attorney General, upon request of the board, to
8 impose, assess, and recover any sums pursuant to subdivision (c).
9 In determining the appropriate amount, the court shall take into
10 consideration all relevant circumstances, including, but not limited
11 to, the extent of harm caused by the violation, the nature and
12 persistence of the violation, the length of time over which the
13 violation occurs, and the corrective action, if any, taken by the
14 violator.

15 (2) The board may impose civil liability in accordance with
16 Section 1055.

17 (e) All funds recovered pursuant to this section shall be
18 deposited in the Water Rights Fund established pursuant to Section
19 1550.

20 (f) The remedies prescribed in this section are cumulative and
21 not alternative.

22 SEC. 10. Section 1058.5 of the Water Code is amended to read:

23 1058.5. (a) This section applies to any emergency regulation
24 adopted by the board for which the board makes both of the
25 following findings:

26 (1) The emergency regulation is adopted to prevent the waste,
27 unreasonable use, unreasonable method of use, or unreasonable
28 method of diversion, of water, to promote water recycling or water
29 conservation, to require curtailment of diversions when water is
30 not available under the diverter's priority of right, or in furtherance
31 of any of the foregoing, to require reporting of diversion or use or
32 the preparation of monitoring ~~or technical~~ reports.

33 (2) The emergency regulation is adopted in response to
34 conditions which exist, or are threatened, in a critically dry year
35 immediately preceded by two or more consecutive below normal,
36 dry, or critically dry years or during a period for which the
37 Governor has issued a proclamation of a state of emergency under
38 the California Emergency Services Act (Chapter 7 (commencing
39 with Section 8550) of Division 1 of Title 2 of the Government
40 Code) based on drought conditions.

1 (b) Notwithstanding Sections 11346.1 and 11349.6 of the
2 Government Code, any findings of emergency adopted by the
3 board, in connection with the adoption of an emergency regulation
4 under this section, are not subject to review by the Office of
5 Administrative Law.

6 (c) An emergency regulation adopted by the board under this
7 section may remain in effect for up to 270 days, as determined by
8 the board, and is deemed repealed immediately upon a finding by
9 the board that due to changed conditions it is no longer necessary
10 for the regulation to remain in effect. An emergency regulation
11 adopted by the board under this section may be renewed if the
12 board determines that the conditions specified in paragraph (2) of
13 subdivision (a) are still in effect.

14 (d) In addition to any other applicable civil or criminal penalties,
15 any person or entity who violates a regulation adopted by the board
16 pursuant to this section is guilty of an infraction punishable by a
17 fine of up to five hundred dollars (\$500) for each day in which the
18 violation occurs.

19 SEC. 11. Section 1551 of the Water Code is amended to read:
20 1551. All of the following shall be deposited in the Water
21 Rights Fund:

22 (a) All fees, expenses, and penalties collected by the board or
23 the State Board of Equalization under this chapter and Part 3
24 (commencing with Section 2000).

25 (b) All funds collected under Section 1052, Article 4
26 (commencing with Section 1845) of Chapter 12, or Section 5107.

27 (c) All fees collected under Section 13160.1 in connection with
28 certificates for activities involving hydroelectric power projects
29 subject to licensing by the Federal Energy Regulatory Commission.

30 SEC. 12. Section 1831 of the Water Code is amended to read:

31 1831. (a) When the board determines that any person is
32 violating, or threatening to violate, any requirement described in
33 subdivision (d), the board may issue an order to that person to
34 cease and desist from that violation.

35 (b) The cease and desist order shall require that person to comply
36 forthwith or in accordance with a time schedule set by the board.

37 (c) The board may issue a cease and desist order only after
38 notice and an opportunity for hearing pursuant to Section 1834.

39 (d) The board may issue a cease and desist order in response to
40 a violation or threatened violation of any of the following:

1 (1) The prohibition set forth in Section 1052 against the
2 unauthorized diversion or use of water subject to this division.

3 (2) Any term or condition of a permit, license, certification, or
4 registration issued under this division.

5 (3) Any decision or order of the board issued under this part,
6 Section 275, or Article 7 (commencing with Section 13550) of
7 Chapter 7 of Division 7, in which decision or order the person to
8 whom the cease and desist order will be issued, or a predecessor
9 in interest to that person, was named as a party directly affected
10 by the decision or order.

11 (4) A regulation adopted under Section 1058.5.

12 (e) This article ~~does~~ *shall* not authorize the board to regulate in
13 any manner, the diversion or use of water not otherwise subject to
14 regulation of the board under this ~~division or Section 275 part~~.

15 SEC. 13. Section 1845 of the Water Code is amended to read:

16 1845. (a) Upon the failure of any person to comply with a
17 cease and desist order issued by the board pursuant to this chapter,
18 the Attorney General, upon the request of the board, shall petition
19 the superior court for the issuance of prohibitory or mandatory
20 injunctive relief as appropriate, including a temporary restraining
21 order, preliminary injunction, or permanent injunction.

22 (b) (1) A person or entity who violates a cease and desist order
23 issued pursuant to this chapter may be liable in an amount not to
24 exceed the following:

25 (A) If the violation occurs in a critically dry year immediately
26 preceded by two or more consecutive below normal, dry, or
27 critically dry years or during a period for which the Governor has
28 issued a proclamation of a state of emergency under the California
29 Emergency Services Act (Chapter 7 (commencing with Section
30 8550) of Division 1 of Title 2 of the Government Code) based on
31 drought conditions, ten thousand dollars (\$10,000) for each day
32 in which the violation occurs.

33 (B) If the violation is not described by subparagraph (A), one
34 thousand dollars (\$1,000) for each day in which the violation
35 occurs.

36 (2) Civil liability may be imposed by the superior court. The
37 Attorney General, upon the request of the board, shall petition the
38 superior court to impose, assess, and recover those sums.

39 (3) Civil liability may be imposed administratively by the board
40 pursuant to Section 1055.

1 (c) In determining the appropriate amount, the court, or the
2 board, as the case may be, shall take into consideration all relevant
3 circumstances, including, but not limited to, the extent of harm
4 caused by the violation, the nature and persistence of the violation,
5 the length of time over which the violation occurs, and the
6 corrective action, if any, taken by the violator.

7 (d) All funds recovered pursuant to this section shall be
8 deposited in the Water Rights Fund established pursuant to Section
9 1550.

10 SEC. 14. Section 1846 is added to the Water Code, to read:

11 1846. (a) A person or entity may be liable for a violation of
12 any of the following in an amount not to exceed five hundred
13 dollars (\$500) for each day in which the violation occurs:

14 (1) A term or condition of a permit, license, certificate, or
15 registration issued under this division.

16 (2) ~~An order or~~A regulation adopted by the board under Section
17 ~~275, Section 1058.5, or the public trust doctrine 1058.5 or an order~~
18 ~~adopted by the board.~~

19 (b) Civil liability may be imposed by the superior court. The
20 Attorney General, upon the request of the board, shall petition the
21 superior court to impose, assess, and recover those sums.

22 (c) Civil liability may be imposed administratively by the board
23 pursuant to Section 1055.

24 (d) In determining the appropriate amount of civil liability, the
25 court, pursuant to subdivision (b), or the board, pursuant to
26 subdivision (c), may take into consideration all relevant
27 circumstances, including, but not limited to, the extent of harm
28 caused by the violation, the nature and persistence of the violation,
29 the length of time over which the violation occurs, and the
30 corrective action, if any, taken by the violator.

31 (e) No liability shall be recoverable under this section for any
32 violation for which liability is recovered under Section 1052.

33 (f) All funds recovered pursuant to this section shall be deposited
34 in the Water Rights Fund established pursuant to Section 1550.

35 (g) This section applies only in a critically dry year immediately
36 preceded by two or more consecutive below normal, dry, or
37 critically dry years or during a period for which the Governor has
38 issued a proclamation of a state of emergency under the California
39 Emergency Services Act (Chapter 7 (commencing with Section

1 8550) of Division 1 of Title 2 of the Government Code) based on
2 drought conditions.

3 SEC. 15. Section 13562.5 is added to the Water Code, to read:

4 13562.5. Notwithstanding any other law, no later than June
5 30, 2014, the department shall adopt, by emergency regulations
6 in accordance with Chapter 3.5 (commencing with Section 11340)
7 of Part 1 of Division 3 of Title 2 of the Government Code,
8 requirements for groundwater replenishment using recycled water.
9 The adoption of these regulations is an emergency and shall be
10 considered by the Office of Administrative Law as necessary for
11 the immediate preservation of the public peace, health, safety, and
12 general welfare. Notwithstanding Chapter 3.5 (commencing with
13 Section 11340) of Part 1 of Division 3 of Title 2 of the Government
14 Code, emergency regulations adopted by the department pursuant
15 to this section shall not be subject to review by the Office of
16 Administrative Law and shall remain in effect until revised by the
17 department.

18 SEC. 16. Water conservation and drought response projects
19 funded by the provisions of this act, or the act described in Section
20 19, shall, to the extent feasible and appropriate, use the services
21 of the California Conservation Corps or certified community
22 conservation corps, as defined in Section 14507.5 of the Public
23 Resources Code.

24 SEC. 17. No reimbursement is required by this act pursuant
25 to Section 6 of Article XIII B of the California Constitution because
26 the only costs that may be incurred by a local agency or school
27 district will be incurred because this act creates a new crime or
28 infraction, eliminates a crime or infraction, or changes the penalty
29 for a crime or infraction, within the meaning of Section 17556 of
30 the Government Code, or changes the definition of a crime within
31 the meaning of Section 6 of Article XIII B of the California
32 Constitution.

33 SEC. 18. Of the funds made available pursuant to Division 43
34 (commencing with Section 75001) of the Public Resources Code,
35 the sum of four hundred seventy-two million five hundred thousand
36 dollars (\$472,500,000) is hereby appropriated pursuant to Section
37 75026 of the Public Resources Code as follows:

38 (a) Two hundred million dollars (\$200,000,000) shall be
39 available to the Department of Water Resources for integrated
40 regional water management grants through an expedited solicitation

1 round for projects that provide immediate regional drought
2 preparedness, increase local water supply reliability and the
3 delivery of safe drinking water, assist water suppliers and regions
4 to implement conservation programs and measures that are not
5 locally cost-effective, or reduce water quality conflicts or
6 ecosystem conflicts created by the drought. The Department of
7 Water Resources shall consult with the State Department of Public
8 Health on what emergency drinking water projects may be further
9 expedited through these funds.

10 (b) Two hundred seventy-two million five hundred thousand
11 dollars (\$272,500,000), shall be available to the Department of
12 Water Resources for integrated regional water management grants.
13 Notwithstanding Section 75100 of the Public Resources Code, the
14 Department of Water Resources may expend up to twenty-one
15 million eight hundred thousand dollars (\$21,800,000) of the funds
16 appropriated pursuant to this paragraph for projects submitted prior
17 to the enactment of this section.

18 SEC. 19. This act shall become operative only if Assembly
19 Bill 79 or Senate Bill 103 of the 2013–14 Regular Session is
20 enacted as amending the Budget Act of 2013.

21 SEC. 20. This act is a bill providing for appropriations related
22 to the Budget Bill within the meaning of subdivision (e) of Section
23 12 of Article IV of the California Constitution, has been identified
24 as related to the budget in the Budget Bill, and shall take effect
25 immediately.