

Senate Bill No. 208

Passed the Senate June 2, 2015

Secretary of the Senate

Passed the Assembly September 1, 2015

Chief Clerk of the Assembly

This bill was received by the Governor this _____ day
of _____, 2015, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to add and repeal Chapter 7 (commencing with Section 10551) of Part 2.2 of Division 6 of the Water Code, relating to water.

LEGISLATIVE COUNSEL’S DIGEST

SB 208, Lara. Integrated regional water management plans: grants: advanced payment.

Existing law, the Integrated Regional Water Management Planning Act, authorizes a regional water management group to prepare and adopt an integrated regional water management plan with specified components relating to water supply and water quality. Existing law provides that an integrated regional water management plan is eligible for funding allocated specifically for implementation of integrated regional water management.

Existing law, the Water Quality, Supply, and Infrastructure Improvement Act of 2014, approved by the voters as Proposition 1 at the November 4, 2014, statewide general election, authorizes the issuance of general obligation bonds in the amount of \$7,545,000,000 to finance a water quality, supply, and infrastructure improvement program. The act provides that the sum of \$810,000,000 is to be available, upon appropriation by the Legislature, for expenditures on, and competitive grants and loans to, projects that are included in and implemented in an adopted integrated regional water management plan and respond to climate change and contribute to regional water security.

This bill would require a regional water management group, within 90 days of notice that a grant has been awarded, to provide the Department of Water Resources with a list of projects to be funded by the grant funds where the project proponent is a nonprofit organization, as defined, or a disadvantaged community, as defined, or the project benefits a disadvantaged community. This bill would require the department, within 60 days of receiving the project information, to provide advanced payment of 50% of the grant award for those projects that satisfy specified criteria and would require the advanced funds to be handled, as prescribed. This bill would authorize the department to adopt additional

requirements for the recipient regarding the use of the advanced payment to ensure that the funds are used properly. This bill would repeal these provisions on January 1, 2025.

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

SECTION 1. Chapter 7 (commencing with Section 10551) is added to Part 2.2 of Division 6 of the Water Code, to read:

CHAPTER 7. ADVANCED PAYMENT OF GRANT FUNDS

10551. (a) Within 90 days of notice that a grant for projects included and implemented in an integrated regional water management plan has been awarded, the regional water management group shall provide the department with a list of projects to be funded by the grant funds where the project proponent is a nonprofit organization or a disadvantaged community, or the project benefits a disadvantaged community. The list shall specify how the projects are consistent with the adopted integrated regional water management plan and shall include all of the following information:

- (1) Descriptive information concerning each project identified.
- (2) The names of the entities that will receive the funding for each project, including, but not limited to, an identification as to whether the project proponent or proponents are nonprofit organizations or a disadvantaged community.
- (3) The budget of each project.
- (4) The anticipated schedule for each project.

(b) Within 60 days of receiving the project information pursuant to subdivision (a), the department shall provide advanced payment of 50 percent of the grant award for those projects that satisfy both of the following criteria:

(1) The project proponent is a nonprofit organization or a disadvantaged community, or the project benefits a disadvantaged community.

(2) The grant award for the project is less than one million dollars (\$1,000,000).

(c) Funds advanced pursuant to subdivision (b) shall be handled as follows:

(1) The recipient shall place the funds in a noninterest-bearing account until expended.

(2) The funds shall be spent within six months of the date of receipt, unless the department waives this requirement.

(3) The recipient shall, on a quarterly basis, provide an accountability report to the department regarding the expenditure and use of any advanced grant funds that provides, at a minimum, the following information:

(A) An itemization as to how advanced payment funds provided under this section have been expended.

(B) A project itemization as to how any remaining advanced payment funds provided under this section will be expended over the period specified in paragraph (2).

(C) Whether the funds are placed in a noninterest-bearing account, and if so, the date that occurred and the dates of withdrawals of funds from that account, if applicable.

(4) If funds are not expended, the unused portion of the grant shall be returned to the department within 60 days after project completion or the end of the grant performance period, whichever is earlier.

(5) The department may adopt additional requirements for the recipient regarding the use of the advanced payment to ensure that the funds are used properly.

(d) As used in this section:

(1) “Disadvantaged community” has the same meaning as defined in subdivision (j) of Section 79702.

(2) “Nonprofit organization” has the same meaning as defined in subdivision (p) of Section 79702.

10552. This chapter shall remain in effect only until January 1, 2025, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2025, deletes or extends that date.

Approved _____, 2015

Governor