

AMENDED IN ASSEMBLY APRIL 13, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 626

Introduced by Assembly Member Eng

February 25, 2009

~~An act relating to water resources.~~ *An act to amend Section 83002 of the Water Code, relating to water.*

LEGISLATIVE COUNSEL'S DIGEST

AB 626, as amended, Eng. ~~Integrated regional water management planning; disadvantaged communities.~~ *Bond revenues: grants.*

The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, an initiative bond act approved by the voters at the November 7, 2006, statewide general election, 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. Existing law appropriates \$181,971,000 of that bond money to the Department of Water Resources for integrated regional water management activities.

Of the \$181,971,000 appropriated to the department, existing law allocates \$100,000,000 for implementation grants and \$39,000,000 for planning grants, local groundwater assistance grants, and CALFED scientific research grants. Of that amount, existing law also requires the department to allocate not less than 10% to address the critical water supply needs of disadvantaged communities and to facilitate the participation of those communities in integrated regional water management planning.

This bill would require the department to achieve that 10% statewide allocation by awarding grants for those purposes to disadvantaged communities within a hydrologic region in a total dollar amount that is equivalent to 10% of the total dollar amount of grants awarded within that region.

~~Existing law, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, an initiative bond act approved by the voters at the November 7, 2006, statewide general election, authorizes the issuance of bonds in the amount of \$5,388,000,000, of which \$1,000,000,000 is generally required to be allocated by the Department of Water Resources to specified regions for projects to meet the long-term water needs of the state in accordance with adopted integrated regional water management plans.~~

~~This bill would state that it is the intent of the Legislature to enact legislation to maximize the expenditure of funds made available by that program on behalf of disadvantaged communities.~~

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 83002 of the Water Code is amended to
2 read:
3 83002. The sum of eight hundred twenty million nine hundred
4 seventy-three thousand dollars (\$820,973,000) is hereby
5 appropriated in accordance with the following schedule:
6 (a) Of the funds made available pursuant to Chapter 1.699
7 (commencing with Section 5096.800) of Division 5 of the Public
8 Resources Code, the sum of two hundred eighty-five million dollars
9 (\$285,000,000) is hereby appropriated as follows:
10 (1) Pursuant to subdivision (c) of Section 5096.821 of the Public
11 Resources Code, the sum of one hundred thirty-five million dollars
12 (\$135,000,000) to the department for the acquisition, design, and
13 construction of essential emergency preparedness supplies and
14 projects. Prior to the design or construction of any project funded
15 pursuant to this paragraph, the California Bay-Delta Authority, or
16 its successor, shall approve the specific project or program.
17 Preference shall be given to projects that protect and improve Delta
18 water quality and drinking water supplies. Of the amount made

1 available pursuant to this paragraph, not less than thirty-five million
2 dollars (\$35,000,000) shall be expended by the department for
3 projects to reinforce those sections of the levees that have the
4 highest potential to suffer breaches or failure and cause harm to
5 municipal and industrial water supply aqueducts that cross the
6 Delta and which are vulnerable to flood damage, including the
7 installation of scour protection on the supports of the aqueducts
8 in those areas located adjacent to the sections of the levees that
9 have been identified as the highest risk of breaches or failure.

10 (2) Pursuant to Section 5096.827 of the Public Resources Code,
11 the sum of one hundred fifty million dollars (\$150,000,000) to the
12 department for grants for stormwater flood management projects
13 that reduce flood damage and provide other benefits, including
14 groundwater recharge, water quality improvement, and ecosystem
15 restoration. Not less than one hundred million dollars
16 (\$100,000,000) of this amount shall be available for projects that
17 address immediate public health and safety needs, strengthen
18 existing flood control facilities to address seismic safety issues.
19 Twenty million dollars (\$20,000,000) shall be available for local
20 agencies to meet immediate water quality needs related to
21 combined municipal sewer and stormwater systems to prevent
22 sewage discharges into state waters. Twenty million dollars
23 (\$20,000,000) shall be available for urban stream stormwater flood
24 management projects to reduce the frequency and impacts of
25 flooding in watersheds that drain to the San Francisco Bay.

26 (b) Of the funds made available pursuant to Division 43
27 (commencing with Section 75001) of the Public Resources Code,
28 the sum of five hundred twenty-six million four hundred ninety-one
29 thousand dollars (\$526,491,000) is hereby appropriated as follows:

30 (1) Pursuant to Section 75022 of the Public Resources Code,
31 the sum of fifty million dollars (\$50,000,000) to the State
32 Department of Public Health for grants for small community
33 drinking water system infrastructure improvements and related
34 action to meet safe drinking water standards. First priority for these
35 funds shall be given to disadvantaged or severely disadvantaged
36 communities lacking resources to provide safe drinking water to
37 residents. Small community drinking water systems that are
38 dependent on surface water and are under orders from the State
39 Department of Public Health to boil water from existing treatment

1 systems for parasites, viruses, or giardia shall be eligible for grants
2 for drinking water system infrastructure improvements.

3 (2) Pursuant to Section 75025 of the Public Resources Code,
4 the sum of fifty million four hundred thousand dollars
5 (\$50,400,000) to the State Department of Public Health for grants
6 for projects to prevent or reduce the contamination of groundwater
7 that serves as a source of drinking water. Funds appropriated by
8 this paragraph shall be available for immediate projects needed to
9 protect public health by preventing or reducing the contamination
10 of groundwater that serves as a major source of drinking water for
11 a community.

12 (A) The State Department of Public Health shall prioritize
13 project funding based on the following criteria:

14 (i) The threat posed by groundwater contamination to the
15 affected community's overall drinking water supplies, including
16 the need for the treatment or construction of alternative supplies
17 if groundwater is not available due to contamination.

18 (ii) The potential for groundwater contamination to spread and
19 reduce drinking water supply and water storage capacity for major
20 population areas.

21 (iii) The potential of the project, if fully implemented, to enhance
22 local water supply reliability.

23 (iv) The potential of the project to increase opportunities for
24 groundwater recharge and optimization of groundwater supplies.

25 (B) The State Department of Public Health shall give additional
26 consideration to projects that meet any of the following criteria:

27 (i) The project is implemented pursuant to a comprehensive
28 basinwide groundwater quality management and remediation plan
29 or is necessary to develop a comprehensive groundwater plan.

30 (ii) Affected groundwater provides a local supply that, if
31 contaminated, will require the importation of additional water from
32 the Sacramento-San Joaquin Delta or the Colorado River.

33 (iii) The project will serve an economically disadvantaged
34 community.

35 (iv) Multiple contaminants affect more than one-third of the
36 well capacity of a local water system.

37 (C) Of the amount made available by this paragraph, up to ten
38 million dollars (\$10,000,000) shall be allocated for projects that
39 meet the criteria of this paragraph and both of the following
40 criteria:

1 (i) The project has the potential to leverage funds.

2 (ii) The project addresses contamination at a site on the list
3 maintained by the Department of Toxic Substances Control
4 pursuant to Section 25356 of the Health and Safety Code or a site
5 listed on the National Priorities List pursuant to the federal
6 Comprehensive Environmental Response, Compensation, and
7 Liability Act of 1980 (42 U.S.C. Sec. 9601 et seq.).

8 (D) Of the funds made available by this paragraph, two million
9 dollars (\$2,000,000) shall be allocated to the State Department of
10 Public Health to contract with the State Water Resources Control
11 Board for the purposes of Section 83002.5.

12 (3) (A) Pursuant to Section 75026 of the Public Resources
13 Code, the sum of one hundred eighty-one million seven hundred
14 ninety-one thousand dollars (\$181,791,000) to the department for
15 integrated regional water management activities as follows:

16 (i) One hundred million dollars (\$100,000,000) for
17 implementation grants.

18 (ii) Thirty-nine million dollars (\$39,000,000) for planning grants,
19 local groundwater assistance grants, and CALFED scientific
20 research grants.

21 (iii) Twenty-two million ninety-one thousand dollars
22 (\$22,091,000) for projects with interregional or statewide benefits.

23 Of the amount made available pursuant to this paragraph, not
24 less than ten million dollars (\$10,000,000) shall be made available
25 for expenditure to interconnect municipal and industrial water
26 supply aqueducts that cross the Delta and that are vulnerable to
27 flood damage, including the design and construction of interties
28 among aqueducts that provide at least 90 percent of a regional
29 water supply that would be threatened in the event of levee failure
30 or other disaster, and that support an integrated regional emergency
31 water supply system.

32 (iv) Twenty million seven hundred thousand dollars
33 (\$20,700,000) for program delivery costs.

34 (B) An implementation grant pursuant to clause (i) of
35 subparagraph (A) shall be available only for projects included in
36 an integrated regional water management plan that meets one of
37 the following conditions:

38 (i) The plan complies with Part 2.2 (commencing with Section
39 10530) of Division 6.

(ii) For a plan adopted before the date on which this section is enacted, both of the following apply:

(I) The regional water management group that prepared the plan enters into a binding agreement with the department to update the plan to comply with Part 2.2 (commencing with Section 10530) of Division 6 within two years of the date on which the agreement was entered into.

(II) The regional water management group undertakes all reasonable and feasible efforts to take into account water-related needs of disadvantaged communities in the area within the boundaries of the plan.

(C) (i) Of the funds described in clauses (i) and (ii) of subparagraph (A), the department shall allocate not less than 10 percent to facilitate and support the participation of disadvantaged communities in integrated regional water management planning and for projects that address critical water supply or water quality needs for disadvantaged communities.

(ii) *The department shall achieve that 10 percent statewide allocation for the disadvantaged community purposes described in clause (i) by awarding grants for those purposes to disadvantaged communities within a hydrologic region in a total dollar amount equivalent to 10 percent of the total dollar amount of grants awarded within the region.*

(D) Of the funds described in clause (iii) of subparagraph (A), the department shall allocate two million dollars (\$2,000,000) to Tulare County for development of an integrated water quality and wastewater treatment program plan to address the drinking water and wastewater needs of disadvantaged communities in the Tulare Lake Basin. Funds allocated pursuant to this paragraph shall be available for assessment and feasibility studies necessary to develop the plan, and the plan shall include recommendations for planning, infrastructure, and other water management actions, and shall include specific recommendations for regional drinking water treatment facilities, regional wastewater treatment facilities, conjunctive use sites and groundwater recharge, groundwater for surface water exchanges, related infrastructure, and cost-sharing mechanisms. Tulare County shall consult with appropriate stakeholders, including representatives of disadvantaged communities, when preparing the plan. The department, in

1 consultation with the State Department of Public Health, shall
2 submit the plan to the Legislature by January 1, 2011.

3 (E) Of the funds described in clause (i) of subparagraph (A),
4 the department shall allocate not less than twenty million dollars
5 (\$20,000,000) to support urban and agricultural water conservation
6 projects necessary to meet a 20-percent reduction in per capita
7 water use by the year 2020.

8 (4) Pursuant to Section 75029 of the Public Resources Code,
9 the sum of ninety million dollars (90,000,000) to the department
10 for the implementation of Delta water quality improvement projects
11 that protect drinking water supplies as follows:

12 (A) Pursuant to subdivision (d) of Section 75029 of the Public
13 Resources Code, the sum of fifty million dollars (\$50,000,000)
14 for drinking water intake facility projects to improve the quality
15 of drinking water supply from the Sacramento-San Joaquin Delta
16 that are identified in the June 2005 Delta Region Drinking Water
17 Quality Management Plan. Funding shall be made available for
18 environmental review, design, and construction. Project proponents
19 seeking funding for construction shall meet all of the following
20 criteria:

21 (i) Have completed documentation required under the California
22 Environmental Quality Act (Division 13 (commencing with Section
23 21000) of the Public Resources Code) and a notice of determination
24 has been filed prior to June 30, 2008.

25 (ii) Have demonstrated multiple benefits in conveyance and
26 Delta operation to achieve protection or improvement to Delta
27 pelagic fisheries, as well as drinking water quality improvement
28 and public health protection.

29 (iii) Are able to complete design and commence construction
30 before June 30, 2009.

31 (iv) Have local or federal cost-sharing funds immediately
32 available.

33 (B) The sum of forty million dollars (\$40,000,000) for projects
34 consistent with subdivision (c) of Section 75029 of the Public
35 Resources Code.

36 (5) Pursuant to Section 75033 of the Public Resources Code,
37 the sum of one hundred million dollars (\$100,000,000) to the
38 department for the acquisition, preservation, protection, and
39 restoration of Sacramento-San Joaquin Delta resources in
40 accordance with Section 75033 of the Public Resources Code. The

1 department shall expend these funds pursuant to priorities that
2 reflect the value of the resources and land uses protected by the
3 levees to the state as a whole, consistent with the Delta Vision
4 Strategic Plan. Projects shall be selected to improve the stability
5 of the Delta levee system, reduce subsidence, and assist in restoring
6 the ecosystem of the Delta. Priority shall be given to projects that
7 improve conditions for Delta smelt and other native fish. Up to
8 five million dollars (\$5,000,000) made available pursuant to this
9 paragraph shall be available as grants and direct expenditures for
10 emergency communications equipment to improve emergency
11 response preparedness.

12 (6) Pursuant to Chapter 4 (commencing with Section 75041) of
13 Division 43 of the Public Resources Code, the sum of thirty-seven
14 million dollars (\$37,000,000) to the department as follows:

15 (A) (i) Twelve million dollars (\$12,000,000) to complete the
16 planning and feasibility studies associated with new surface storage
17 under the California Bay-Delta Program.

18 (ii) The planning and feasibility studies shall include the
19 following information:

20 (I) The identification of specific construction and operation
21 conditions proposed for each surface storage facility, including
22 consideration of climate change, an estimated schedule for the
23 construction and completion of each project funded under Section
24 75041, and the total costs of constructing each project.

25 (II) A description of the estimated total costs to construct each
26 project and an allocation of the costs to public and private
27 beneficiaries.

28 (iii) Any feasibility study conducted by or funded by the state
29 for new surface storage under the California Bay-Delta Program
30 shall evaluate funded projects consistent with all statutory and
31 other legally established requirements for protection of
32 environmental and natural resources, including protections for the
33 McCloud River pursuant to Section 5093.542 of the Public
34 Resources Code.

35 (iv) The feasibility studies shall be prepared and submitted to
36 the Governor and the Legislature no later than December 31, 2009.

37 (B) (i) Fifteen million dollars (\$15,000,000) for planning and
38 feasibility studies to identify potential options for the reoperation
39 of the state's flood protection and water supply systems that will

1 optimize the use of existing facilities and groundwater storage
2 capacity.

3 (ii) The studies shall incorporate appropriate climate change
4 scenarios and be designed to determine the potential to achieve
5 the following objectives:

6 (I) Integration of flood protection and water supply systems to
7 increase water supply reliability and flood protection, improve
8 water quality, and provide for ecosystem protection and restoration.

9 (II) Reoperation of existing reservoirs, flood facilities, and other
10 water facilities in conjunction with groundwater storage to improve
11 water supply reliability, flood control, and ecosystem protection
12 and to reduce groundwater overdraft.

13 (III) Promotion of more effective groundwater management and
14 protection and greater integration of groundwater and surface water
15 resource uses.

16 (IV) Improvement of existing water conveyance systems to
17 increase water supply reliability, improve water quality, expand
18 flood protection, and protect and restore ecosystems.

19 (C) Ten million dollars (\$10,000,000) to update the California
20 Water Plan, including evaluation of climate change impacts, the
21 development of strategies to adapt to climate change impacts,
22 technical assistance to local agencies that incorporate climate
23 change into their studies, reports, and plans, and the identification
24 of strategies to reduce greenhouse gas emissions related to the
25 storage, conveyance, and distribution of water.

26 (D) Of the money made available pursuant to subparagraphs
27 (A), (B), and (C), up to two million dollars (\$2,000,000) may be
28 expended for planning and feasibility studies necessary to
29 implement the Delta Vision Strategic Plan, developed pursuant to
30 Executive Order No. S-17-06, dated September 28, 2006,
31 establishing the Delta Vision process.

32 (7) Pursuant to Section 75050 of the Public Resources Code,
33 the sum of seventeen million three hundred thousand dollars
34 (\$17,300,000) for the protection and restoration of rivers and
35 streams as follows:

36 (A) Ten million dollars (\$10,000,000) to the State Coastal
37 Conservancy for the purposes of subdivision (i) of Section 75050
38 of the Public Resources Code.

(B) Seven million three hundred thousand dollars (\$7,300,000) to the department for the purposes of subdivision (e) of Section 75050 of the Public Resources Code.

(c) Of the funds made available pursuant to subdivision (a) of Section 79550, the sum of three million seven hundred sixty thousand dollars (\$3,760,000) is hereby appropriated to the department for planning and feasibility studies associated with surface storage under the California Bay-Delta Program.

(d) (1) Of the funds available pursuant to Section ~~79101.4~~ 79101, the sum of two million two hundred seventy-two thousand dollars (\$2,272,000) is appropriated to the department for the Sacramento River Hamilton City Area Flood Damage Reduction Project.

(2) Of the funds available pursuant to subdivision (c) of Section 79196.5, the sum of three million four hundred fifty thousand dollars (\$3,450,000) is appropriated to the department for the Franks Tract Pilot Project under the CALFED Drinking Water Quality Program.

~~SECTION 1. It is the intent of the Legislature to enact legislation to maximize the expenditure of funds made available by Section 75026 of the Public Resources Code on behalf of disadvantaged communities.~~