

AMENDED IN ASSEMBLY JULY 13, 2009

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AMENDED IN SENATE MAY 28, 2009

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AMENDED IN SENATE APRIL 2, 2009

SENATE BILL

No. 261

Introduced by Senators Dutton and Ducheny
(Coauthors: Senators Calderon, Correa, Hollingsworth, and Padilla)
(Coauthor: Assembly Member Arambula)

February 24, 2009

An act to amend Sections 10004.5, 10631, 10814, and 10816 of, to add Section 10817 to, to add Chapter 5 (commencing with Section 10660) to Part 2.6 of Division 6 of, to repeal Section 10802 of, to repeal and add Sections 10801, 10813, 10840, 10841, 10844, 10845, 10853, 10854, and 10855 of, and to repeal and add Article 1 (commencing with Section 10820) and Article 2 (commencing with Section 10825) of Chapter 3 of Part 2.8 of Division 6 of, the Water Code, relating to water use.

LEGISLATIVE COUNSEL'S DIGEST

SB 261, as amended, Dutton. Water use: water management plans.

(1) Existing law requires the Department of Water Resources to convene an independent technical panel to provide information to the department and the Legislature on new demand management measures, technologies, and approaches. "Demand management measures" means

those water conservation measures, programs, and incentives that prevent the waste of water and promote the reasonable and efficient use and reuse of available supplies. Existing law requires urban water suppliers to prepare and adopt urban water management plans with specified components.

This bill would require a retail urban water supplier, as defined, to develop and implement an urban water conservation plan, including prescribed components, or achieve high-efficiency water use, as defined. The bill would impose various requirements for the contents of these plans, and would require ~~an~~ a retail urban water supplier to update its water conservation plan on a specified schedule. The retail urban water supplier ~~or the regional water management group, as applicable~~ *other specified entities acting on behalf of the retail urban water supplier*, would be required to submit reports for purposes of determining progress towards achieving a prescribed water conservation goal.

The bill would require specified competitive grant and loan programs to provide financial incentives to retail urban water suppliers to support water use efficiency and local water resources management measures.

The bill also would require the board and the department, not later than April 1, 2010, to convene a task force to develop best management practices for commercial, industrial, and institutional water uses for the purpose of achieving a specified reduction in water use by 2020.

(2) The Agricultural Water Management Planning Act, until January 1, 1993, and thereafter only as specified, requires certain agricultural water suppliers to prepare and adopt water management plans.

This bill would substantially revise the act to require an agricultural water supplier, as defined, to prepare and adopt an agricultural water management plan with specified components on or before December 31, 2012, and update that plan every 5 years, as specified. An entity, as defined, that becomes an agricultural water supplier after December 31, 2012, would be required to prepare and adopt an agricultural water management plan within 2 years after becoming an agricultural water supplier. The bill would require an agricultural water supplier to submit copies of the plan, or provide a specified written notice, to the department and other specified entities. The bill would provide that an agricultural water supplier is ineligible to receive specified state funds if the supplier does not prepare, adopt, and submit the plan in accordance with the requirements established by the bill.

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

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

SECTION 1. Section 10004.5 of the Water Code is amended to read:

10004.5. (a) As part of the requirement of the department to update the California Water Plan pursuant to subdivision (b) of Section 10004, the department shall include in the plan a discussion of all of the following:

(1) Various strategies, including, but not limited to, those relating to the development of new water storage facilities, water conservation, water recycling, desalination, conjunctive use, and water transfers that may be pursued in order to meet the future water needs of the state.

(2) The potential for alternative water pricing policies to change current and projected uses.

(3) The potential advantages and disadvantages of each strategy and an identification of all federal and state permits, approvals, or entitlements that are anticipated to be required in order to implement the various components of the strategy.

(b) (1) As part of the requirement of the department to update the California Water Plan pursuant to subdivision (b) of Section 10004, the department shall include in the plan a strategy for the use and application of agricultural water use efficiency management programs and practices that achieve the reduction and reuse of applied water and the reduction or elimination of the quantity of irrecoverable water that flows to salt sinks.

(2) The strategy may include, but shall not be limited to, a presentation of the costs and benefits of the efficiency improvements in on-farm distribution systems. The department shall consult with the Agricultural Water Management Council, academic experts, and other stakeholders in the development of the strategy for the use and application of agricultural water use efficiency management programs and practices.

(3) The information required pursuant to this subdivision shall be based, in part on a review of agricultural water management plans submitted to the department pursuant to Part 2.8 (commencing with Section 10800).

SEC. 2. Section 10631 of the Water Code is amended to read:

10631. A plan shall be adopted in accordance with this chapter and shall do all of the following:

(a) Describe the service area of the supplier, including current and projected population, climate, and other demographic factors affecting the supplier's water management planning. The projected population estimates shall be based upon data from the state, regional, or local service agency population projections within the service area of the urban water supplier and shall be in five-year increments to 20 years or as far as data is available.

(b) Identify and quantify, to the extent practicable, the existing and planned sources of water available to the supplier over the same five-year increments described in subdivision (a). If groundwater is identified as an existing or planned source of water available to the supplier, all of the following information shall be included in the plan:

(1) A copy of any groundwater management plan adopted by the urban water supplier, including plans adopted pursuant to Part 2.75 (commencing with Section 10750), or any other specific authorization for groundwater management.

(2) A description of any groundwater basin or basins from which the urban water supplier pumps groundwater. For those basins for which a court or the board has adjudicated the rights to pump groundwater, a copy of the order or decree adopted by the court or the board and a description of the amount of groundwater the urban water supplier has the legal right to pump under the order or decree. For basins that have not been adjudicated, information as to whether the department has identified the basin or basins as overdrafted or has projected that the basin will become overdrafted if present management conditions continue, in the most current official departmental bulletin that characterizes the condition of the groundwater basin, and a detailed description of the efforts being undertaken by the urban water supplier to eliminate the long-term overdraft condition.

(3) A detailed description and analysis of the location, amount, and sufficiency of groundwater pumped by the urban water supplier for the past five years. The description and analysis shall be based on information that is reasonably available, including, but not limited to, historic use records.

(4) A detailed description and analysis of the amount and location of groundwater that is projected to be pumped by the urban water supplier. The description and analysis shall be based

1 on information that is reasonably available, including, but not
2 limited to, historic use records.

3 (c) (1) Describe the reliability of the water supply and
4 vulnerability to seasonal or climatic shortage, to the extent
5 practicable, and provide data for each of the following:

6 (A) An average water year.

7 (B) A single dry water year.

8 (C) Multiple dry water years.

9 (2) For any water source that may not be available at a consistent
10 level of use, given specific legal, environmental, water quality, or
11 climatic factors, describe plans to supplement or replace that source
12 with alternative sources or water demand management measures,
13 to the extent practicable.

14 (d) Describe the opportunities for exchanges or transfers of
15 water on a short-term or long-term basis.

16 (e) (1) Quantify, to the extent records are available, past and
17 current water use, over the same five-year increments described
18 in subdivision (a), and projected water use, identifying the uses
19 among water use sectors, including, but not necessarily limited to,
20 all of the following uses:

21 (A) Single-family residential.

22 (B) Multifamily.

23 (C) Commercial.

24 (D) Industrial.

25 (E) Institutional and governmental.

26 (F) Landscape.

27 (G) Sales to other agencies.

28 (H) Saline water intrusion barriers, groundwater recharge, or
29 conjunctive use, or any combination thereof.

30 (I) Agricultural.

31 (2) The water use projections shall be in the same five-year
32 increments described in subdivision (a).

33 (f) Provide a description of the supplier's water demand
34 management measures. This description shall include all of the
35 following:

36 (1) A description of each water demand management measure
37 that is currently being implemented, or scheduled for
38 implementation, including the steps necessary to implement any
39 proposed measures, including, but not limited to, all of the
40 following:

- 1 (A) Water survey programs for single-family residential and
- 2 multifamily residential customers.
- 3 (B) Residential plumbing retrofit.
- 4 (C) System water audits, leak detection, and repair.
- 5 (D) Metering with commodity rates for all new connections and
- 6 retrofit of existing connections.
- 7 (E) Large landscape conservation programs and incentives.
- 8 (F) High-efficiency washing machine rebate programs.
- 9 (G) Public information programs.
- 10 (H) School education programs.
- 11 (I) Conservation programs for commercial, industrial, and
- 12 institutional accounts.
- 13 (J) Wholesale agency programs.
- 14 (K) Conservation pricing.
- 15 (L) Water conservation coordinator.
- 16 (M) Water waste prohibition.
- 17 (N) Residential ultra-low-flush toilet replacement programs.
- 18 (2) A schedule of implementation for all water demand
- 19 management measures proposed or described in the plan.
- 20 (3) A description of the methods, if any, that the supplier will
- 21 use to evaluate the effectiveness of water demand management
- 22 measures implemented or described under the plan.
- 23 (4) An estimate, if available, of existing conservation savings
- 24 on water use within the supplier's service area, and the effect of
- 25 the savings on the supplier's ability to further reduce demand.
- 26 (g) An evaluation of each water demand management measure
- 27 listed in paragraph (1) of subdivision (f) that is not currently being
- 28 implemented or scheduled for implementation. In the course of
- 29 the evaluation, first consideration shall be given to water demand
- 30 management measures, or combination of measures, that offer
- 31 lower incremental costs than expanded or additional water supplies.
- 32 This evaluation shall do all of the following:
- 33 (1) Take into account economic and noneconomic factors,
- 34 including environmental, social, health, customer impact, and
- 35 technological factors.
- 36 (2) Include a cost-benefit analysis, identifying total benefits and
- 37 total costs.
- 38 (3) Include a description of funding available to implement any
- 39 planned water supply project that would provide water at a higher
- 40 unit cost.

(4) Include a description of the water supplier’s legal authority to implement the measure and efforts to work with other relevant agencies to ensure the implementation of the measure and to share the cost of implementation.

(h) Include a description of all water supply projects and water supply programs that may be undertaken by the urban water supplier to meet the total projected water use as established pursuant to subdivision (a) of Section 10635. The urban water supplier shall include a detailed description of expected future projects and programs, other than the demand management programs identified pursuant to paragraph (1) of subdivision (f), that the urban water supplier may implement to increase the amount of the water supply available to the urban water supplier in average, single dry, and multiple dry water years. The description shall identify specific projects and include a description of the increase in water supply that is expected to be available from each project. The description shall include an estimate with regard to the implementation timeline for each project or program.

(i) Describe the opportunities for development of desalinated water, including, but not limited to, ocean water, brackish water, and groundwater, as a long-term supply.

(j) Urban water suppliers that are members of the California Urban Water Conservation Council and submit annual reports to that council in accordance with the “Memorandum of Understanding Regarding Urban Water Conservation in California,” dated September 1991, may submit the annual reports identifying water demand management measures currently being implemented, or scheduled for implementation, to satisfy the requirements of subdivisions (f), (g), and (l).

(k) Urban water suppliers that rely upon a wholesale agency for a source of water shall provide the wholesale agency with water use projections from that agency for that source of water in five-year increments to 20 years or as far as data is available. The wholesale agency shall provide information to the urban water supplier for inclusion in the urban water supplier’s plan that identifies and quantifies, to the extent practicable, the existing and planned sources of water as required by subdivision (b), available from the wholesale agency to the urban water supplier over the same five-year increments, and during various water-year types in accordance with subdivision (c). An urban water supplier may

1 rely upon water supply information provided by the wholesale
2 agency in fulfilling the plan informational requirements of
3 subdivisions (b) and (c).

4 (l) Each retail urban water supplier, as defined in Section 10661,
5 shall develop and implement an urban water conservation plan in
6 accordance with Chapter 5 (commencing with Section 10660).

7 SEC. 3. Chapter 5 (commencing with Section 10660) is added
8 to Part 2.6 of Division 6 of the Water Code, to read:

9
10 CHAPTER 5. URBAN WATER EFFICIENCY

11
12 Article 1. Findings and Definitions

13
14 10660. (a) The Legislature finds and declares all of the
15 following:

16 (1) *The Governor's goal for a 20-percent reduction in statewide,*
17 *urban, per capita water use is an important component of a*
18 *comprehensive package of long-term sustainable water*
19 *management strategies necessary to ensure sufficient water*
20 *supplies for California's residential and commercial uses. The*
21 *implementation of this goal should allow for flexible*
22 *implementation that encourages local and regional implementation.*

23 ~~(1)~~

24 (2) California's growing population, periodic and serious
25 drought conditions, and the need to protect California's fish and
26 wildlife resources require that Californians adopt reasonable water
27 efficiency measures that improve water supply reliability.

28 ~~(2)~~

29 (3) Water conservation and water use efficiency are central
30 elements of the state's strategy to enhance water reliability, restore
31 ecosystems, and respond to a growing population.

32 ~~(3)~~

33 (4) Water conservation and water use efficiency should be part
34 of a comprehensive solution that includes local resource
35 development and infrastructure improvements, including storage
36 and conveyance, as part of a statewide system that promotes
37 economic and environmental stability.

38 ~~(4)~~

39 (5) Accomplishing water conservation and water use efficiency
40 goals will require statewide action by all water users, including

1 residential, commercial, industrial, and agricultural users, local
2 and regional planning agencies, state and federal agencies,
3 chambers of commerce, and business, commercial, and industrial
4 professional and trade associations.

5 (5)

6 (6) Efficient water use may be improved by the development
7 of alternative local sources of water supplies, such as stormwater,
8 recycled water, desalinated water, and treated water, that reduce
9 the demand for imported water. Efficient water use also encourages
10 multiple uses of water within a single watershed or region.

11 ~~(6) Efficient water management in California requires that urban~~
12 ~~water suppliers attempt to match the water quality available from~~
13 ~~different sources of water, including, but not limited to, recycled~~
14 ~~water, with the corresponding water quality objectives required~~
15 ~~by each beneficial use, including, but not limited to, municipal,~~
16 ~~industrial, and agricultural uses.~~

17 ~~(7) The Governor's mandate for a 20-percent reduction in~~
18 ~~statewide, urban, per capita water use is an important component~~
19 ~~of a comprehensive package of water management strategies~~
20 ~~necessary to ensure sufficient water supplies for California's~~
21 ~~residential and commercial uses. The implementation of this goal~~
22 ~~should allow for flexible implementation that encourages local~~
23 ~~and regional implementation.~~

24 ~~(8) Existing, well-established water management planning~~
25 ~~processes, including integrated regional water management plans,~~
26 ~~should be utilized to provide for the most effective, cooperative,~~
27 ~~efficient, and expedient progress toward the 20-percent statewide~~
28 ~~goal.~~

29 ~~(9) General statutory direction to state, regional, and local~~
30 ~~implementing agencies should allow for implementation that~~
31 ~~reflects the need to take into account unique local factors, including~~
32 ~~housing density and lot sizes, climatic conditions, local watershed~~
33 ~~and groundwater conditions, the mix of commercial, industrial,~~
34 ~~and institutional uses, and year-to-year weather changes.~~

35 ~~(10) Standardized data collection and analysis will be required~~
36 ~~to track progress toward the statewide water conservation goal and~~
37 ~~ensuring accountability among local and regional agencies.~~

38 ~~(11) Goals pertaining to agricultural water use should recognize~~
39 ~~that agricultural water use, like commercial and industrial water~~
40 ~~use, is for a business purpose. Progress towards efficient~~

~~1 agricultural water use can best be achieved through the
2 development of best management practices that recognize local
3 and regional differences in climates, soils, cropping patterns, and
4 cultural practices.~~

~~5 (12) Goals pertaining to commercial and industrial water uses
6 should recognize the very different commercial and industrial uses
7 among regions and local agencies and should not unreasonably
8 combine the factors of commercial uses and population. Progress
9 toward commercial and industrial water conservation can best be
10 achieved through the development of best management practices
11 and local and regional engagement with local commercial and
12 industrial operations.~~

~~13 (14)
14 (13) Water use efficiency and local water resources management
15 should be undertaken for the purpose of enhancing watershed
16 sustainability.~~

~~17 (7) Conservation and water use efficiency programs should be
18 implemented in a manner that strengthens the water rights of
19 California communities. Implementation of programs for
20 conservation and water use efficiency in a manner that undermines
21 the certainty and security of water rights contradicts the mandate
22 of Section 2 of Article X of the California Constitution, which
23 directs that the water resources of California be put to beneficial
24 use to the fullest extent of which they are capable.~~

~~25 (b) Therefore, it is the intent of the Legislature, in enacting this
26 act, to do all of the following:~~

~~27 (1) Establish a statewide, transparent process to accomplish the
28 Governor's goal of a 20-percent per capita reduction in water usage
29 by 2020, which translates into a statewide goal of 1.74 million
30 acre-feet, and thereby improves statewide water supply reliability
31 in a time of periodic drought and population growth.~~

~~32 (2) Encourage better management practices in urban areas that
33 reduce per capita water use consistent with the Governor's goal
34 on a statewide, aggregate basis.~~

~~35 (3) Encourage maximum water use efficiency in the commercial,
36 institutional, industrial, and agricultural sectors to reduce overall
37 water use while maintaining and improving economic output and
38 productivity, thereby contributing to sustainable job growth and
39 a vibrant economy for the 21st century.~~

1 (4) Acknowledge that conservation, improved water use
2 efficiency, and development of local resources, such as water reuse,
3 recycling, desalination, multiple uses of water in the same
4 watershed, and stormwater capture, all contribute to better water
5 management and all should be credited against the goals established
6 by local agencies under this ~~legislation~~ *chapter*.

7 (5) Acknowledge that incentive-based programs will be more
8 effective in improving water management than command and
9 control approaches.

10 (6) Recognize that “one size does not fit all” and seek to allow
11 local agencies the flexibility to tailor water use reduction efforts
12 that account for variations in local circumstances, including local
13 climate conditions, population growth, industrial composition,
14 characteristics of local watersheds and groundwater basins, and
15 previous conservation and water use efficiency efforts.

16 (7) Ensure accomplishment of the statewide conservation goal
17 by implementing an effective, transparent process for the reporting,
18 monitoring, and analysis of data on water use and water
19 conservation and efficiency measures and the progress of local
20 agencies in meeting long-term conservation and water use
21 efficiency goals.

22 (8) Water conservation and water use efficiency should be just
23 one element of a comprehensive water supply solution for
24 commercial, institutional, and industrial water users, urban water
25 users, agricultural suppliers, and other water users in the state.

26 10661. Unless the context requires otherwise, the definitions
27 set forth in this section govern the construction of this chapter.

28 (a) “Baseline” means a retail urban water supplier’s average
29 total residential water use in acre-feet during a fixed, 10-year period
30 ending in 2004 or later.

31 (b) “CII” means the use of water in commercial, industrial, and
32 institutional settings.

33 (c) “Form 38” means the Department of Water Resources Form
34 Number 38, Public Water System Statistics.

35 (d) “High-efficiency water use” means net residential water use
36 within a retail urban water supplier’s service area that does not
37 exceed the sum of both of the following:

38 (1) Fifty-five gallons per capita, per day for indoor residential
39 uses.

(2) Seventy percent of reference evapotranspiration, as determined by historic CIMIS data as outlined in the state’s model water efficient landscape ordinance for outdoor residential uses.

(e) “Institute” means the California State University Water Resources and Policy Initiative.

(f) “Local water resources management” means ~~the use of any of the following~~ alternative sources of water that make the most efficient use of water, ~~including, but not limited to, any of the following:~~

(1) The capture of stormwater or rainwater.

(2) The use of recycled water.

(3) The desalination of brackish groundwater or seawater.

(4) The conjunctive use of surface water and groundwater in a manner that is consistent with the safe yield of the groundwater basin.

(5) The reuse of water multiple times in a watershed, provided that the total credits for that water do not exceed the quantity of water reused.

(6) The recovery of losses in conveyance systems.

(7) The matching of the water quality available from different sources of water, including recycled water, with the corresponding water quality objectives required by each beneficial use, including municipal, industrial, or agricultural uses.

(g) “Plan” means an urban water conservation plan required by this chapter.

(h) “Regional water management group” has the same meaning as set forth in Section ~~10537~~ 10539.

(i) “Reporting agency” means a retail urban water supplier, a wholesale urban water supplier acting at the request and on behalf of one or more retail urban water suppliers within its boundaries, or a regional water management group acting at the request and on behalf of one or more retail urban water suppliers within its boundaries, as authorized by resolution of its governing board submitted to the department.

(j) “Retail urban water supplier” is an urban water supplier, as defined in Section 10617, that provides water service directly to residential, commercial, industrial, and institutional customers.

(k) “Statewide aggregate water conservation goal” means the Governor’s statewide aggregate goal of a 20-percent reduction in water use by 2020, which totals 1.74 million acre-feet of water.

1 (l) “Water conservation percentage” means the percentage
2 calculated pursuant to subparagraph (A) of paragraph (3) of
3 subdivision (a) of Section 10665.

4 (m) “Water use efficiency” means the efficient use of water as
5 that term is defined in Section 10613.

6 (n) “Wholesale urban water supplier” means a water supplier
7 that provides more than 3,000 acre-feet of water annually at
8 wholesale for municipal purposes.

9 ~~Article 2. Urban Water Conservation Plans~~

10
11 *Article 2. Urban Water Conservation Plans*
12

13 10665. (a) (1) Except as provided in paragraph (2), each retail
14 urban water supplier shall, in its urban water management plan,
15 develop and implement an urban water conservation plan, in
16 accordance with this article.

17 (2) A retail urban water supplier that has achieved
18 high-efficiency water use or will achieve high-efficiency water
19 use by January 1, 2020, is not subject to the requirements of this
20 section.

21 (b) An urban water conservation plan shall include all of the
22 following components:

23 (1) A water use efficiency component, which shall include
24 programs to implement all of the following:

25 (A) (i) The “foundational best management practices” of Exhibit
26 1 to the Memorandum of Understanding Regarding Urban Water
27 Conservation in California, dated December 2008, in accordance
28 with all of the provisions of that memorandum of understanding.

29 (ii) The water savings goals contained in Exhibit 1 to the
30 Memorandum of Understanding Regarding Urban Water
31 Conservation in California, dated December 2008, including
32 accomplishing the specific measures listed in Section A of each
33 best management practice, a set of measures that achieve equal or
34 greater water savings, or a set water savings goals, as measured
35 in gallons per capita per day.

36 (iii) A retail urban water supplier may, in lieu of programs
37 described in clause (i) or (ii), implement local or regional best
38 management practices that are collectively at least as effective as
39 those programs.

1 (B) Reporting on the implementation status of programs to
2 replace traditional outdoor landscaping with climate-appropriate
3 landscaping, or otherwise change patterns of water use in urban
4 areas.

5 (C) For a retail urban water supplier subject to Section 526 or
6 527, a program that includes a schedule for accomplishing the
7 installation of metering that includes interim milestones, and a
8 financial plan or budget to achieve that schedule. A retail urban
9 water supplier that accelerates its schedule for accomplishing
10 metering of its entire service area ahead of the deadline stated in
11 Section 526 or 527, as applicable, shall be entitled to credits for
12 the water conserved by the accelerated implementation in
13 calculating the amount and percentage of water conserved by its
14 conservation plan. Nothing in this chapter shall be construed to
15 require a retail urban water supplier to accelerate its implementation
16 of metering or to penalize that supplier if it is in compliance with
17 either Section 526 or 527.

18 (2) A local water resources management component, which
19 shall include both of the following:

20 (A) Consideration of changes in water use to better match the
21 water quality available from different sources of water with the
22 corresponding water quality objectives required by each beneficial
23 use.

24 (B) Consideration of programs to make use of alternative local
25 sources of water supply through local water resources management.

26 (3) A water efficiency planning component, which shall include
27 all of the following:

28 (A) Estimates of the annual quantity of water, in acre-feet, that
29 ~~would be projected to~~ *would be projected to* be conserved by the plan by the year 2020
30 and thereafter, when compared to baseline, and the percentage of
31 that water conserved as compared to baseline. *It is the intent of*
32 *the Legislature that in estimating and projecting the savings from*
33 *specific water conservation measures, the retail urban water*
34 *supplier use analytic methods developed by the California Urban*
35 *Water Conservation Council or the institute, to the extent that*
36 *these methods are appropriate to the conditions facing the retail*
37 *urban water supplier.*

38 (i) In calculating the amount and percentage of conservation
39 pursuant to this subparagraph, credit shall be given for local water

resources management measures implemented after the baseline period.

(ii) The calculation shall also include an estimate of indoor residential gallons used per capita per day, and an estimate of outdoor residential water use, in terms of percentage of reference evapotranspiration.

(iii) A retail urban water supplier may include in its calculation of the annual quantity of water, in acre-feet, the amount of water that would be conserved by the plan and the quantity of water that would be conserved by implementing measures to conserve water used in the CII sector, including, but not limited to, measures recommended by the CII task force, if the retail urban water supplier's baseline includes the use of water in the CII sector. In calculating water conservation in the combined residential and CII sectors, a retail urban water supplier may credit the quantity of water obtained from local water resources management measures in calculating the total quantity and percentage of water conservation.

(B) If applicable, an explanation of the reason it is not feasible for the retail urban water supplier to have a water conservation percentage of 20 percent or more of baseline water use by 2020, if the plan will not meet that goal by 2020. The explanation may refer to the inability to obtain voter approval of necessary expenditures of funds, as required by Article XIII D of the California Constitution, or any other financial constraints.

(C) Interim milestones for progress toward the estimates described in subparagraph (A), for the years 2012, 2014, 2016, and 2018.

10666. A retail urban water supplier that will achieve high-efficiency water use before January 1, 2020, shall include in its urban water management plans for the years 2010, 2015, and 2020 documentation of its plan for achievement and maintenance of high-efficiency water use, and is exempt from developing and implementing an urban water conservation plan pursuant to this article.

10667. Each retail urban water supplier shall fully implement its water conservation plan in a timely fashion and shall include an update of its water conservation plan in each of its urban water management plan updates for the years 2010, 2015, and 2020.

1 10668. (a) If a retail urban water supplier achieves
2 high-efficiency water use, or adopts a plan that will achieve
3 high-efficiency water use, and subsequently fails to meet that
4 standard or fails to fully implement that plan in a subsequent
5 reporting period, the retail urban water supplier shall do all of the
6 following:

7 (1) Provide notice of its failure to the department within 90 days
8 of its submission of an urban water management plan to the
9 department that documents that failure.

10 (2) Prepare the water conservation plan required by this chapter
11 and submit that plan to the department within 90 days after the
12 notice provided pursuant to paragraph (1).

13 (3) Implement the water conservation plan in accordance with
14 this chapter.

15 (b) If a retail urban water supplier fails to meet an interim
16 milestone identified in its plan, it shall provide notice of its failure
17 to the department within 90 days of the interim milestone. The
18 retail urban water supplier, within 90 days after providing that
19 notice, shall submit a plan to the department to meet the next
20 interim milestone and shall implement that plan in a manner that
21 achieves the next interim milestone.

22 10669. Retail urban water suppliers may cooperate in
23 developing and implementing water use efficiency and local water
24 resources management projects and may agree among themselves
25 as to the manner in which to allocate credit for water conservation
26 in the implementation of those projects, in a manner that does not
27 double-count any water conserved through those projects.

28 ~~Article 3. Enforcement and Regulations~~

29
30 *Article 3. Enforcement and Regulations*

31
32 10670. (a) The department, or the institute pursuant to an
33 agreement with the department, shall develop an Internet Web site
34 for the purpose of reporting the information required by this
35 chapter. The cost of developing the Internet Web site may be
36 funded from unallocated bond revenues pursuant to paragraph (12)
37 of subdivision (a) of Section 75027 of the Public Resources Code,
38 to the extent those funds are available for this purpose.

39 (b) On or before December 31, 2012, and every two years
40 thereafter, each reporting agency shall report on the Internet Web

1 site developed pursuant to this section, its progress toward reaching
2 a water conservation percentage of 20 percent or more of baseline
3 water use by 2020. The reporting agency shall report the following
4 information:

5 (1) The data included in Form 38.

6 (2) The total population within the water supplier's service area,
7 as determined by the United States Census Bureau or a more recent
8 estimate by the California Department of Finance.

9 (c) Estimates of water conservation percentages contained in
10 initial and revised water conservation plans shall be uploaded to
11 the Internet Web site developed pursuant to this section.

12 10671. (a) ~~The department shall~~ *It is the intent of the*
13 *Legislature that the department* contract with the institute to
14 evaluate urban water conservation plans pursuant to this chapter.

15 (b) ~~The institute shall~~ *It is the intent of the Legislature that the*
16 *institute, through a contract with the department,* develop, through
17 an open and public process, all of the following:

18 (1) A description of the data in addition to the data collected on
19 Form 38, if any, required to be submitted by each retail urban water
20 supplier in order for the institute to determine whether California
21 is on track to meet the statewide aggregate water conservation
22 goal. The institute shall include an evaluation of the costs of
23 collecting this data to the state and to retail urban water suppliers.

24 (2) A description of the process and information needed to assure
25 the institute that the data submitted by each retail urban water
26 supplier are reasonably accurate and reliable to be included in the
27 estimate of progress toward the statewide aggregate water
28 conservation goal.

29 (3) A description of weather-normalizing factors, including, but
30 not limited to, any differences in evapotranspiration and rainfall
31 in the baseline period compared to the reporting period, that a retail
32 urban water agency may use in reporting water conservation data.

33 10672. (a) The institute shall calculate the total quantity of
34 water conserved contained in the 2010 urban water management
35 plans and report that statewide total to the Legislature on or before
36 July 1, 2011.

37 (b) Reporting agencies shall upload the data needed for the
38 calculation in subdivision (a) to the Internet Web site developed
39 pursuant to Section ~~10675~~ 10670.

1 10673. A retail urban water supplier may consult with the
2 institute to perform a water conservation plan evaluation for the
3 retail urban water supplier that provides the retail urban water
4 supplier with recommendations regarding projects that would
5 improve the retail urban water supplier's water use efficiency or
6 local water resources management program to achieve high levels
7 of water use efficiency. These recommendations shall consider
8 the availability of financial and other assistance and shall maximize
9 implementation of locally cost-effective measures.

10 10674. (a) If the statewide total quantity of water conserved
11 contained in the urban water management plans submitted for the
12 year 2010 is less than the statewide aggregate goal, as determined
13 by the institute, each retail urban water supplier that is not
14 implementing a plan to achieve high-efficiency water use, or a
15 plan to achieve a water conservation percentage equal to or greater
16 than 20 percent of baseline by 2020, shall prepare a revised water
17 conservation plan and submit that plan to the institute by December
18 31, 2012.

19 (b) A retail urban water supplier that is implementing a plan to
20 achieve high-efficiency water use, or a plan to achieve a water
21 conservation percentage equal to or greater than 20 percent of
22 baseline by the year 2020, may submit a revised water conservation
23 plan to the institute by December 31, 2012.

24 10675. (a) The institute shall calculate the total of all estimates
25 of water conserved, as submitted in urban water management plans
26 for the year 2010, for retail urban water suppliers that are
27 implementing a plan to achieve high-efficiency water use or a
28 water conservation percentage equal to, or greater than, 20 percent
29 of baseline by the year 2020. The calculation shall include the
30 estimates of water conserved that is contained in all revised water
31 conservation plans submitted by December 31, 2012. The institute
32 shall report the statewide total to the Legislature on or before
33 March 1, 2013.

34 (b) (1) If the statewide total in the report submitted pursuant to
35 subdivision (a), is less than the statewide aggregate goal, the
36 institute shall prepare a report, by July 1, 2013, on the cost of
37 achieving the statewide aggregate goal, which shall include all of
38 the following:

39 (A) Expenditures needed to achieve the statewide aggregate
40 goal that are not locally cost effective.

1 (B) The relative cost-effectiveness of water use efficiency
2 measures as compared to local water resources management
3 measures for different regions of California.

4 (C) Consideration of the potential contribution toward the
5 statewide aggregate goal from all feasible water conservation
6 measures in the CII sector, as recommended by the CII task force
7 pursuant to Article 3 4 (commencing with Section 10685).

8 *(D) Consideration of the potential contribution toward the*
9 *statewide aggregate goal from all feasible water conservation*
10 *measures in the residential sector that have not been included in*
11 *retail urban water suppliers' urban water conservation plans, as*
12 *identified in the best management practices developed and updated*
13 *by the California Urban Water Conservation Council.*

14 (2) The institute shall update the report and present the updated
15 report to the Legislature on or before July 1, 2016.

16 (c) (1) If the statewide total in the report submitted pursuant to
17 subdivision (a) is less than the statewide aggregate goal, the
18 department, beginning on January 1, 2014, may adopt regulations
19 to achieve the statewide aggregate goal consistent with all of the
20 following requirements:

21 (A) Retail urban water suppliers that have adopted and are
22 implementing a plan to achieve high-efficiency water use, or a
23 water conservation percentage equal to or greater than 20 percent
24 of baseline by the year 2020, shall be exempt from the regulations.

25 (B) All other retail urban water suppliers shall be required by
26 the department to adopt water use efficiency measures or local
27 water resources management measures that will achieve the
28 statewide aggregate goal, based on the following criteria:

29 (i) The retail urban water supplier's water conservation
30 percentage.

31 (ii) A comparison of the retail urban water supplier's indoor
32 residential and outdoor residential water use with retail urban water
33 suppliers with similar populations and similar reference
34 evapotranspiration based on CIMIS.

35 (iii) Whether the retail urban water supplier has fully
36 implemented any recommendations for water use efficiency or
37 local water resources management measures made by the institute.

38 (iv) Consideration of any statewide recommendations for water
39 use efficiency or local water resources management measures
40 proposed by the institute.

(2) The department's regulations shall, to the greatest extent practicable and consistent with achieving the statewide aggregate goal, maximize the use of local cost-effective measures and shall not require any retail urban water supplier to have a water conservation percentage greater than 20 percent of baseline.

~~Article 4. Commercial, Industrial, and Institutional Water Conservation~~

Article 4. Commercial, Industrial, and Institutional Water Conservation

10685. (a) The board and the department, not later than April 1, 2010, shall convene a task force consisting of experts to develop, for the CII sector, best management practices that are intended to result in meeting a statewide goal of at least a 20-percent reduction in potable water use in the CII sector by the year 2020, as compared to statewide water use by that sector for the year 2005.

(b) The task force shall be composed of representatives of the board, the department, urban water suppliers located in all of the regions used as part of the California Water Plan task force, trade groups representing the CII sector, and environmental groups. Members of the task force shall be selected by the director, after consultation with the chairperson of the board.

(c) On or before April 1, 2010, the department shall enter into an agreement providing for the funding of the operations of the task force by its participants.

(d) The director, after consultation with the chairperson of the board, may designate a chairperson of the task force.

(e) Any recommendation of the task force, in the report required pursuant to subdivision (f), shall be endorsed by two-thirds of the members of the task force and minority reports shall be included in the report.

(f) On or before April 1, 2011, the task force shall submit a report to the board and the department, which shall include a discussion of at least all of the following subjects:

(1) Metrics that are appropriate for use in evaluating the use of water in the CII sector.

(2) An evaluation of the appropriate quantities of water needed for cooling in manufacturing processes.

1 (3) An evaluation of the appropriate quantities of water needed
2 as an ingredient in manufactured goods or for use in manufacturing
3 processes.

4 (4) The cost-effectiveness of water use efficiency and local
5 water resources management measures in the CII sector.

6 (5) An evaluation of the differences between process water and
7 product water.

8 (6) An evaluation of the potential use of stormwater, recycled
9 water, treated water, desalinated water, or other alternative sources
10 of water in the CII sector, together with appropriate credits for that
11 use.

12 (7) An evaluation of the manner in which regional projects could
13 provide significant supplies of stormwater, recycled water, treated
14 water, desalinated water, or other alternative sources of water to
15 the CII sector.

16 (8) An evaluation of the need for offsite public infrastructure
17 to provide sufficient supplies of stormwater, recycled water, treated
18 water, desalinated water, or other alternative sources of water to
19 the CII sector.

20 (9) The economic viability of any proposals developed by the
21 task force and whether these proposals would create sustainable
22 green collar jobs.

23 (10) An evaluation of institutional and economic barriers to
24 increased water use efficiency and local water resources
25 management in the CII sector.

26 (11) An evaluation of whether it is feasible to reduce water use
27 statewide in the CII sector by at least 20 percent by the year 2020
28 and, if the reduction is feasible, whether that reduction would be
29 in the public interest.

30 (12) The identification of appropriate best management practices
31 that should be implemented in order to achieve a feasible reduction
32 in water use statewide in the CII sector that is consistent with the
33 public interest and reflects past investments in water use efficiency
34 and local water resources management.

35 (13) An evaluation of the feasibility and cost-effectiveness of
36 encouraging commercial, industrial, and institutional facilities to
37 implement best management practices that can readily be
38 transferred from residential settings to commercial or institutional
39 settings, including the use of high-efficiency toilets, low-flow

1 showerheads, smart irrigation controllers, and climate-appropriate
2 landscaping.

3 *(14) Industry-specific best management practices that have*
4 *already been adopted by specific industries or commercial sectors.*
5 *The task force may recommend that implementation of these best*
6 *management practices shall be deemed to comply with the purposes*
7 *of this chapter and may recommend that a retail urban water*
8 *supplier be prohibited from requiring further measures of water*
9 *users that have implemented these best management practices.*

10 10686. Each retail urban water supplier shall consider the
11 adoption of best management practices recommended by the CII
12 task force no later than December 31, 2011, and, by March 1, 2012,
13 shall submit to the institute a report describing the actions, if any,
14 that the water supplier has taken based on the recommendations
15 of the CII task force.

16 ~~Article 5. Regional Implementation~~

17
18 *Article 5. Regional Implementation*

19
20 10690. A wholesale urban water supplier may, with the written
21 consent of retail urban water suppliers within its service area,
22 undertake to perform any or all planning, reporting, and
23 implementation functions under this chapter for those retail urban
24 water suppliers that consent to those activities. Any data or reports
25 shall provide information both for the wholesale urban water
26 supplier and for consenting retail urban water suppliers.

27 10691. (a) A regional water management group may, with the
28 written consent of its member agencies, undertake any or all
29 planning, reporting, and implementation functions under this
30 chapter for the member agencies that consent to those activities.
31 Any data or reports shall provide information both for the regional
32 water management group and for consenting wholesale and retail
33 urban water suppliers.

34 (b) A regional water management group that agrees to undertake
35 planning, reporting, and implementation functions for member
36 agencies shall be entitled to a preference of 20 percent in
37 competitive grant and loan programs. That preference shall only
38 be awarded to projects that are identified in the integrated regional
39 water management plan adopted by the regional water management
40 group.

~~Article 6. Miscellaneous Provisions~~

Article 6. Miscellaneous Provisions

10695. (a) Notwithstanding any other provision of law, all competitive grant or loan programs administered by the department, the board, or the California Bay-Delta Authority, or its successor agency, for integrated regional water management programs or water conservation programs shall provide financial incentives to the following retail urban water suppliers to support water use efficiency and local water resources management measures:

(1) Retail urban water suppliers that adopt and document implementation of a plan to achieve high-efficiency water use.

(2) Retail urban water suppliers that adopt and document implementation of a plan to achieve a water conservation percentage that exceed 20 percent of baseline shall be entitled to preference for grants or loans over retail urban water suppliers that do not exceed 20 percent of baseline.

(3) Retail urban water suppliers that adopt and document implementation of a plan to achieve a water conservation percentage that exceed 20 percent of baseline prior to _____, shall be entitled to preference for grants or loans over retail urban water suppliers that do not adopt such a plan.

(4) Retail urban water suppliers serving disadvantaged areas, for which the median income of the retail urban water supplier's service area is less than 80 percent of the statewide median, shall be entitled to a preference at least equal to that provided to retail urban water suppliers that adopt and document implementation of a plan to achieve water conservation percentage that exceed 20 percent of baseline.

(5) Retail urban water suppliers proposing to implement other measures that may be needed to achieve the statewide aggregate goal.

(b) The department, the board, and the California Bay-Delta Authority, or its successor agency, may adopt competitive criteria to implement this section.

10696. (a) This chapter does not subject a retail urban water supplier to regulation by the department, if the retail urban water supplier has adopted and begun to implement its water conservation

1 plan in good faith and the retail urban water supplier meets any of
2 the following criteria:

3 (1) Is unable to implement its water conservation plan as a result
4 of an order from a court of competent jurisdiction.

5 (2) Is delayed in implementing its water conservation plan as a
6 result of a decision of a court of competent jurisdiction that
7 invalidates an element of the water conservation plan, or the
8 financing or regulatory permitting of an element of the plan.

9 (3) Has been unsuccessful in attempting to raise any additional
10 revenues needed to implement all or a portion of its water
11 conservation plan after the completion of the procedures required
12 by Article XIII D of the California Constitution.

13 (b) Notwithstanding subdivision (a), any retail urban water
14 supplier that is prevented from implementing its water conservation
15 plan as a result of the conditions identified in paragraphs (1) to
16 (3), inclusive, of subdivision (a) shall continue to actively
17 implement all remaining elements of its water conservation plan.

18 *10696.5. Nothing in this chapter shall interfere with Section*
19 *110105 of the Health and Safety Code or require the reduction of*
20 *the water content of a food, beverage, cosmetic, or drug product.*

21 *10697. Water use efficiency and local water resources*
22 *management measures adopted and implemented pursuant to this*
23 *part are water conservation measures subject to the protections*
24 *provided under Section 1011.*

25 *10698. Costs incurred by the department and the institute*
26 *pursuant to this chapter may be funded from unallocated bond*
27 *revenues pursuant to paragraph (12) of subdivision (a) of Section*
28 *75027 of the Public Resources Code, to the extent those funds are*
29 *available for those purposes.*

30 *10699. This chapter shall be liberally construed to achieve its*
31 *purpose, specifically achieving the statewide aggregate goal of a*
32 *20 percent reduction in urban water use, in a manner that provides*
33 *the greatest possible flexibility and discretion to local agencies*
34 *and that protects water rights to the fullest extent possible.*

35 SEC. 4. Section 10801 of the Water Code is repealed.

36 SEC. 5. Section 10801 is added to the Water Code, to read:

37 10801. The Legislature finds and declares all of the following:

38 (a) Agriculture is an important sector of California's economy.
39 With 88,000 farms and ranches, California's agricultural industry
40 is a nearly thirty-six billion six hundred million dollar

1 (\$36,600,000,000) industry and generates one hundred billion
2 dollar (\$100,000,000,000) in related economic activity. California
3 has ranked as the top agricultural producing state in the nation for
4 more than 50 years.

5 (b) California agriculture encompasses more than 350 plant and
6 animal commodities.

7 (c) In 2000, an estimated 9.6 million acres of cropland in
8 California was irrigated with approximately 34.2 million acre-feet
9 of applied water.

10 (d) California growers and water suppliers have implemented
11 state-of-the-art design, delivery, and management practices to
12 increase production efficiency and conserve water. One indicator
13 of improvement in agricultural water use efficiency is that
14 agricultural production per unit of applied water for 32 important
15 crops increased by 38 percent from 1980 to 2000. Inflation-adjusted
16 gross crop revenue per unit of applied water increased by 11
17 percent during that same period.

18 (e) The Agricultural Water Management Planning Act and the
19 Agricultural Water Suppliers Efficient Water Management
20 Practices Act (Part 2.9 (commencing with Section 10900))
21 established guidance for improving agricultural water use efficiency
22 and, in 2005, the Agricultural Water Council was established to
23 improve water use efficiency through the implementation of
24 efficient water management practices.

25 (f) Grower and water supplier investments, university-based
26 research, field station studies, and cooperative extension
27 demonstration projects have contributed to improvements in water
28 supply delivery and on-farm water management practices.

29 (g) The implementation of agricultural water use efficiency
30 management practices depends on many interrelated factors,
31 including the commitment of public and private investment,
32 technical feasibility, cost-effectiveness, and the availability of
33 technical assistance. Further investments in research and
34 demonstration will be critical to identifying options to extend water
35 use efficiency achievements in planning and implementation
36 relating to agricultural water delivery systems and on-farm water
37 use.

38 (h) Significant noncrop beneficial uses are associated with
39 agricultural water use, including streamflows and wildlife habitat.

(i) Changes in water management practices should be carefully planned and implemented to minimize adverse impacts on other beneficial uses.

SEC. 6. Section 10802 of the Water Code is repealed.

SEC. 7. Section 10813 of the Water Code is repealed.

SEC. 8. Section 10813 is added to the Water Code, to read:

10813. “Entity” means an association, ditch company, investor-owned utility, mutual water company, or public agency.

SEC. 9. Section 10814 of the Water Code is amended to read:

10814. “Plan” means an agricultural water management plan prepared pursuant to this part.

SEC. 10. Section 10816 of the Water Code is amended to read:

10816. “Agricultural water supplier” or “supplier” means an entity that annually sells or delivers water directly to customers that, in the aggregate, irrigate 35,000 or more acres of land used for agricultural purposes.

SEC. 11. Section 10817 is added to the Water Code, to read:

10817. “Water use efficiency” means the use of practices, techniques, and technologies that improve efficiency in the use of water.

SEC. 12. Article 1 (commencing with Section 10820) of Chapter 3 of Part 2.8 of Division 6 of the Water Code is repealed.

SEC. 13. Article 1 (commencing with Section 10820) is added to Chapter 3 of Part 2.8 of Division 6 of the Water Code, to read:

Article 1. General Provisions

10820. (a) An agricultural water supplier shall prepare and adopt an agricultural water management plan in the manner set forth in this chapter on or before December 31, 2012.

(b) Each entity that becomes an agricultural water supplier after December 31, 2012, shall prepare and adopt an agricultural water management plan within two years after the date it has become an agricultural water supplier.

(c) An agricultural water supplier indirectly providing water shall not include planning elements in its water management plan, as provided in Article 2 (commencing with Section 10825), that would be applicable to agricultural water suppliers or public agencies directly providing water, or to their customers, without the consent of those suppliers or public agencies.

1 (d) (1) An agricultural water supplier may satisfy the
2 requirements of this part by adopting an urban water management
3 plan pursuant to Part 2.6 (commencing with Section 10610) or by
4 participation in areawide, regional, watershed, or basinwide water
5 management planning if those plans will reduce preparation costs
6 and contribute to the achievement of conservation and efficient
7 agricultural water use.

8 (2) An agricultural water supplier shall coordinate the
9 preparation of its plan with other appropriate agencies in the area,
10 including, but not limited to, other water suppliers that share a
11 common source, water management agencies, and relevant public
12 agencies, to the extent practicable.

13 (e) An agricultural water supplier may prepare the plan with its
14 own staff, by contract, or in cooperation with other governmental
15 agencies.

16 10821. (a) An agricultural water supplier shall update its plan
17 at least once every five years on or before December 31, in years
18 ending in zero and five.

19 (b) An agricultural water supplier required to prepare a plan
20 pursuant to this part shall notify each city or county within which
21 the supplier provides water supplies that the agricultural water
22 supplier will be preparing the plan or reviewing the plan and
23 considering amendments or changes to the plan. The agricultural
24 water supplier may consult with, and obtain comments from, each
25 city or county that receives notice pursuant to this subdivision.

26 (c) The amendments to, or changes in, the plan shall be adopted
27 and submitted in the manner set forth in Article 3 (commencing
28 with Section 10840).

29 SEC. 14. Article 2 (commencing with Section 10825) of
30 Chapter 3 of Part 2.8 of Division 6 of the Water Code is repealed.

31 SEC. 15. Article 2 (commencing with Section 10825) is added
32 to Chapter 3 of Part 2.8 of Division 6 of the Water Code, to read:

33
34 Article 2. Contents of Reports and Plans
35

36 10825. (a) It is the intent of the Legislature, in enacting this
37 part, to allow levels of water management planning commensurate
38 with the numbers of customers served and the volume of water
39 supplied.

(b) This part does not require the implementation of water use efficiency management programs or practices that are not locally cost effective and technically feasible.

10826. An agricultural water management plan shall be adopted in accordance with this chapter and shall include all of the following:

(a) A description of the agricultural water supplier and the service area, including all of the following:

(1) History and size of the service area.
(2) Location of the service area and its water management facilities.

(3) Terrain and soils.

(4) Climate.

(5) Operating rules and regulations.

(6) Water delivery measurements or calculations.

(7) Water rate schedules and billing.

(8) Water shortage allocation policies.

(b) A description of the quantity and quality of water resources of the agricultural water supplier, including all of the following:

(1) Surface water supply.

(2) Groundwater supply.

(3) Other water supplies.

(4) Source water quality monitoring practices.

(5) Water uses within the agricultural water supplier's service area, including all of the following:

(A) Agricultural.

(B) Environmental.

(C) Recreational.

(D) Municipal and industrial.

(E) Groundwater recharge.

(F) Transfers and exchanges.

(G) Other water uses.

(6) Drainage from the water supplier service area.

(7) Water accounting, including all of the following:

(A) Quantifying the water supplier's water supplies.

(B) Tabulating water uses.

(C) Overall water budget.

(8) Water supply reliability.

1 (c) A description of water use efficiency management practices
2 that have been implemented by the agricultural water supplier
3 since the last submitted plan or plan update.

4 (d) An estimate of the quantity of applied water recovered and
5 reused within the service area of the supplier, since the last
6 submitted plan or plan update.

7 (e) An estimate of the reduction in the amount of irrecoverable
8 applied water, if any, since the last submitted plan or plan update.

9 (f) Documentation of any determination by the supplier that a
10 water use efficiency management practice is not locally cost
11 effective or technically feasible.

12 (g) (1) Identification of all locally cost-effective and technically
13 feasible water use efficiency management practices that the
14 agricultural water supplier plans to implement in the five-year
15 period following the adoption of the plan.

16 (2) Water use efficiency management practices that shall be
17 considered for implementation pursuant to paragraph (1) include,
18 but are not limited to, all of the following:

19 (A) Measurement of the volume of water delivered to customers
20 with sufficient accuracy to comply with subdivision (a) of Section
21 531.10.

22 (B) Designation of a water conservation coordinator who will
23 develop and implement the water management plan and prepare
24 progress reports.

25 (C) Provision of water management services to water users.
26 These services may include, but are not limited to, all of the
27 following:

28 (i) On-farm irrigation and drainage system evaluations.

29 (ii) Normal year and real-time irrigation scheduling and crop
30 evapotranspiration information.

31 (iii) Surface water, groundwater, and drainage water quantity
32 and quality data.

33 (iv) Agricultural water management educational programs and
34 materials for farmers, staff, and the public.

35 (h) An evaluation of the policies of agencies that provide the
36 supplier with water to identify the potential for institutional changes
37 to allow more flexible water deliveries and storage.

38 (i) An evaluation of the efficiencies of the supplier's pumps.

1 (j) Facilitation of alternative land uses for lands with
2 exceptionally high water duties or the irrigation of which
3 contributes to significant problems, including drainage.

4 (k) Facilitation of the use of available recycled water that
5 otherwise would not be used beneficially, if the use of the recycled
6 water meets all state health and safety standards, and does not
7 harm crops or soils.

8 (l) Facilitation of the financing of capital improvements for
9 on-farm irrigation systems.

10 (m) Adoption of a pricing structure for water customers based,
11 at least in part, on the quantity of water delivered.

12 10828. Agricultural water suppliers that are members of the
13 Agricultural Water Management Council, and that submit water
14 management plans to that council in accordance with the
15 “Memorandum of Understanding Regarding Efficient Water
16 Management Practices By Agricultural Water Suppliers In
17 California,” dated January 1, 1999, may submit the water
18 management plans identifying water use efficiency management
19 practices currently being implemented, or scheduled for
20 implementation, to satisfy the requirements of Section 10826.

21 10829. (a) Agricultural water suppliers that are required to
22 submit water conservation plans to the United States Bureau of
23 Reclamation pursuant to either the Central Valley Project
24 Improvement Act (Public Law 102-575) or the Reclamation
25 Reform Act of 1982, or both, may submit those water conservation
26 plans to satisfy the requirements of Section 10826, if both of the
27 following apply:

28 (1) The agricultural water supplier has adopted and submitted
29 the water conservation plan to the United States Bureau of
30 Reclamation within the previous four years.

31 (2) The United States Bureau of Reclamation has accepted the
32 water conservation plan as adequate.

33 (b) Notwithstanding subdivision (a) of Section 10821, this part
34 does not require agricultural water suppliers that are required to
35 submit water conservation plans to the United States Bureau of
36 Reclamation pursuant to either the Central Valley Project
37 Improvement Act (Public Law 102-575) or the Reclamation
38 Reform Act of 1982, or both, to prepare and adopt water
39 conservation plans according to a schedule that is different from
40 that required by the United States Bureau of Reclamation.

1 SEC. 16. Section 10840 of the Water Code is repealed.

2 SEC. 17. Section 10840 is added to the Water Code, to read:

3 10840. Every agricultural water supplier shall prepare its plan
4 pursuant to Article 2 (commencing with Section 10825).

5 SEC. 18. Section 10841 of the Water Code is repealed.

6 SEC. 19. Section 10841 is added to the Water Code, to read:

7 10841. An agricultural water supplier required to prepare a
8 plan may consult with, and obtain comments from, any public
9 agency or any person who has special expertise with respect to
10 water use efficiency and reclamation and management methods
11 and techniques.

12 SEC. 20. Section 10844 of the Water Code is repealed.

13 SEC. 21. Section 10844 is added to the Water Code, to read:

14 10844. (a) Not later than 30 days after the date of adopting its
15 plan, an agricultural water supplier shall provide written notice to
16 the entities listed in subdivision (b) that the plan is available for
17 public review on its Internet Web site. If the agricultural water
18 supplier does not have an Internet Web site, it shall submit to the
19 entities listed in subdivision (b), a copy of the adopted initial or
20 updated plan not later than 30 days after the date of adopting its
21 plan.

22 (b) An agricultural water supplier shall submit a copy of its
23 plan, or provide written notice pursuant to subdivision (a), to each
24 of the following entities:

25 (1) The department.

26 (2) Any city, county, or city and county within which the
27 agricultural water supplier provides water supplies.

28 (3) Any groundwater management entity within which
29 jurisdiction the agricultural water supplier extracts or provides
30 water supplies.

31 (4) Any urban water supplier within which jurisdiction the
32 agricultural water supplier provides water supplies.

33 (5) Any city or county library within which jurisdiction the
34 agricultural water supplier provides water supplies.

35 (6) The California State Library.

36 (7) Any local agency formation commission serving a county
37 within which the agricultural water supplier provides water
38 supplies.

39 SEC. 22. Section 10845 of the Water Code is repealed.

40 SEC. 23. Section 10845 is added to the Water Code, to read:

1 10845. An agricultural water supplier that does not have an
2 Internet Web site, not later than 30 days after the date of adopting
3 its plan, shall, in addition to the submission required pursuant to
4 Section 10844, submit to the department a copy of the adopted
5 plan in an electronic format. The department shall make the plan
6 available for public review on the department's Internet Web site.

7 SEC. 24. Section 10853 of the Water Code is repealed.

8 SEC. 25. Section 10853 is added to the Water Code, to read:

9 10853. The adoption of a plan in accordance with this part
10 satisfies any requirements of state statute, regulation, or order,
11 including those of the board, for the preparation of water
12 management plans. However, if the board requires additional
13 information concerning water conservation to implement its
14 existing authority, this part does not limit the board in obtaining
15 that information.

16 SEC. 26. Section 10854 of the Water Code is repealed.

17 SEC. 27. Section 10854 is added to the Water Code, to read:

18 10854. An agricultural water supplier that does not prepare,
19 adopt, and submit its agricultural water management plan in
20 accordance with this part is ineligible to receive funds made
21 available pursuant to any program administered by the board, the
22 department, or the California Bay-Delta Authority or its successor
23 agency, until the agricultural water management plan is submitted
24 pursuant to this part.

25 SEC. 28. Section 10855 of the Water Code is repealed.

26 SEC. 29. Section 10855 is added to the Water Code, to read:

27 10855. Water use efficiency and local water resources
28 management measures adopted and implemented pursuant to this
29 part are water conservation measures subject to the protections
30 provided under Section 1011.