

November 2014 Water Bond – Allocations & Policy

Chapter 1 – Title: “The Safe, Clean, and Reliable Drinking Water Supply Act of 2012”

- Adopts title with key words that attract voter support – safe, clean, reliable water

Chapter 2 – Findings and Declarations

- Findings assert statements about the importance of water, for campaign purposes

Chapter 3 - Definitions

- Defines terms/programs from outside the bond – BDCP, CALFED, Delta Plan
- Adopts “disadvantaged community” definition from Proposition 50 (2002)
- Defines new term: “economically distressed area” (household income less than 85% of statewide median)
- Adopts State General Obligation Bond Law

Chapter 4 – General Provisions

- Imposes 5% cap on administrative costs allocated, for grant program; 10% cap on planning/monitoring costs.
- Exempts programs/projects authorized or funded by bond from *Administrative Procedures Act*.
- Requires agencies to develop grant program, including 3 public hearings.
- Requires State Auditor to do programmatic review of all funded programs.
- Bars funding of environmental mitigation or compliance obligations.
- Bars funding for design/construction of “Delta conveyance facilities.”
- Assures continued water rights protection and compliance with “area of origin” laws.
 - Specifies that Delta water exports are not in the area of origin.
 - Clarifies that water transfer laws are not affected by bond.
- Expands eligibility for bond funding:
 - Includes mutual water companies, nonprofit organizations and public utilities.
 - Requires funding given to public utilities or mutual water companies to benefit the customers, not the shareholders.
- Authorizes Legislature to “enact legislation necessary to implement programs.”
- Establishes “Safe, Clean, and Reliable Drinking Water Supply Fund” in State Treasury.

Chapter 5 – Drought Relief/ Local Projects (\$455 Million)

- Requires funded projects to provide sustainable water supply and be operational in 2 years.
- Creates preference for applicants that have invested in local supply and water conservation.
- Imposes 10% cap on planning and studies.
- Requires 50% cost-share
- Allocates funding to specific purposes and projects:
 - \$100M for storage projects to benefit San Diego County
 - \$90 M to disadvantaged communities.
 - \$75 M to small community wastewater treatment projects that meet criteria:
 - Meet water quality standards or prevent contamination; serves less than 20K.
 - \$80 M to comply with safe drinking water standards
 - \$8 M for safe drinking water in the City of Maywood
 - \$20 M for water quality and public health projects on the New River

Chapter 6 – Water Supply Reliability/Integrated Regional Water Management Projects (\$1.05 Billion)

- Requires integrated regional water management plans and urban water management plans for funding
- Requires applicant to contribute 50% of the costs (“local cost share”)
- Allows funding for local and regional surface water storage projects
- Allocates funding to specific region (redefining some regions), including \$50 M for “interregional” projects
 - North Coast - \$45 M
 - SF Bay: \$132 M
 - Central Coast: \$58 M
 - Los Angeles: \$198 M
 - Santa Ana: \$128 M
 - San Diego: \$87 M
 - Sacramento: \$76 M
 - San Joaquin: \$64 M
 - Tulare/Kern: \$70 M
 - Lahontan: \$51 M
 - Colorado River: \$47 M
 - Mountain Counties: \$44 M
- Defines “interregional” funding for specified purposes that have statewide benefits
 - Specifies water technology, water recycling/conservation, climate change, statewide water management systems, disadvantaged communities
 - Allocates \$10 M to UC Sierra Nevada Research Institute for climate change
- Imposes minimum 10% allocation for disadvantaged communities
- Authorizes *additional* \$350 M to DWR for interregional “connectivity” projects

Chapter 7 – Delta Sustainability (\$2.25 Billion)

- Makes legislative findings that current Delta management “is not sustainable.”
- Authorizes \$2.25 B for Delta sustainability projects
 - \$750 M – to Delta counties and cities (levees, economic development, etc.)
 - \$50 M – matching grants for wastewater treatment systems upstream of Delta
 - \$250 M – assistance to local governments and local agricultural economy
 - \$1.5 B – Delta ecosystem
- Allows Delta ecosystem funding to be used for many purposes:
 - BDCP, native fish, mercury cleanup, GHG reduction, scientific studies
- Caps total State funding for Delta projects at 50%

Chapter 8 – Statewide Water System Operational Improvement/Storage (\$3 Billion)

- *Continuously appropriates* \$3 B to CA Water Commission for “public benefits” from storage projects
- Requires “competitive public process” based on expected return for public investment
- Specifies categories of authorized projects:
 - CALFED surface storage
 - conjunctive use/reservoir reoperation
 - groundwater storage
 - local/regional surface storage
- Requires improvements to Delta ecosystem or tributaries to the Delta
- Specifies “public benefits,” subject to further definition/regulation by CA Water Commission:
 - ecosystem improvements
 - flood control
 - recreation
 - water quality improvements
 - emergency response
- Requires CA Water Commission regulations before approval of projects.
- Imposes conditions regarding cost share, control of public benefits, public hearings, feasibility studies, environmental documentation/permits, and sets 2018 funding decision deadline
- Requires CA Water Commission to report to Legislature on its grant decisions
- Allows State-funded projects to become part of federal Central Valley Project
- Allows a joint powers authority to receive funding and manage funded storage project
- Requires 2/3 vote of Legislature to amend this chapter

Chapter 9 – Conservation and Watershed Protection (\$1.785 Billion)

- Specifies 23 watersheds eligible for funding
- Allows unspecified amount of watershed funding for:
 - CALFED/Delta projects
 - San Joaquin River Parkway
 - Salton Sea (specified 2007)
- Requires use of California Conservation Corps whenever feasible.
- Allocates funding to specific purposes:
 - \$250 M (coastal)
 - \$20 M (Baldwin Hills)
 - \$30 M (watershed centers)
 - \$40 M (San Diego)
 - \$25 M (Santa Monica Bay)
 - \$10 M (waterfowl habitat)
 - \$20 M (Bolsa Chica wetlands)
 - \$50 M (coastal salmon)
 - \$100 M (forest health/wildfire)
 - \$100 M (migratory birds)
 - \$100 M (Lake Tahoe)
 - \$250 M (Klamath River dams)
 - \$250 M (endangered species)
 - \$20 M (farmland protection)
 - \$20 M (Siskiyou County)
 - \$25 M (San Joaquin River)
 - \$50 M (river parkways)
 - \$50 M (farm water supply)
 - \$20 M (Ventura County)
 - \$75 M (Sierra Nevada)
 - \$50 M (ocean protection)
 - \$75 M (San Gabriel/LA River)
 - \$100 M (Salton Sea)
 - \$60 M (salmon fish passage)
 - \$75 M (Santa Monica Mtns.)
 - \$10 M (climate adaptation)
 - 50 M (infrastructure mitigation)

Chapter 10 – Groundwater Protection and Water Quality/Contamination (\$1 Billion)

- Allocates \$100 M for project defined in order to benefit certain community.
- Allocates \$100 M for “urgent actions” for disadvantaged communities with unsafe water.
- Requires Legislature to set terms for cost recovery and repayment of groundwater cleanup funding.

Chapter 11 – Water Recycling (\$1 Billion)

- Allocates \$50 M for recycling in areas with groundwater contamination.
- Requires 50% cost share and specifies criteria for competitive selection.

Chapter 12 – Fiscal Provisions

- Adopts standard provisions for issuance of bonds.