

Date of Hearing: March 25, 2025

ASSEMBLY COMMITTEE ON WATER, PARKS, AND WILDLIFE

Diane Papan, Chair

AB 293 (Bennett) – As Introduced January 22, 2025

SUBJECT: Groundwater sustainability agency: transparency

SUMMARY: Requires a groundwater sustainability agency (GSA) to post information regarding its board membership and its board members' economic interests on the GSA's web site by January 1, 2026. Specifically, **this bill**:

- 1) Requires a GSA to post the membership of its board of directors on the GSA's website or its local agency's website by January 1, 2026.
- 2) Requires a GSA to post a link to the Fair Political Practices Commission's (FPPC) website where one can view the statements of economic interests of the GSA's board members and executives on the GSA's website or its local agency's web site by January 1, 2026.

EXISTING LAW:

- 1) Requires, under the Sustainable Groundwater Management Act (SGMA) of 2014, local agencies to establish GSAs and sustainably manage groundwater in critically overdrafted groundwater basins by 2040 and in high- or medium-priority groundwater basins by 2042. Defines sustainable management of groundwater as the avoidance of the following six "undesirable results:" (a) chronic lowering of groundwater levels; (b) reduction of groundwater storage; (c) seawater intrusion; (d) degraded water quality; (e) land subsidence; and (f) depletions of interconnected surface water (Water Code § 10720 *et seq.*).
- 2) Permits any local agency or combination of local agencies overlying a groundwater basin subject to SGMA to form a GSA. Requires the local agency or local agencies to hold a public hearing before deciding to become a GSA and designates specified local agencies as exclusive GSAs for their respective groundwater basins (Water Code § 10723).
- 3) Permits a combination of local agencies to form a GSA via a joint powers agreement, memorandum of understanding, or other legal agreement. Permits water corporations regulated by the Public Utilities Commission and mutual water companies to participate in a GSA (Water Code § 10723.6).
- 4) Creates the FPPC, and makes it responsible for the impartial, effective administration and implementation of the Political Reform Act (PRA) (Government Code §§ 81000 *et seq.*).
- 5) Makes violations of the PRA subject to administrative, civil, and criminal penalties. (Government Code §§ 83116, 91000-91005.5).
- 6) Defines a local government agency within the PRA to mean a county, city, or district of any kind including school district, or any other local or regional political subdivision, or any department, division, bureau, office, board, commission, or other agency of the foregoing (Government Code § 82041).

- 7) Prohibits a public official at any level of state or local government from making, participating in making, or in any way attempting to use the public official's official position to influence a governmental decision in which the official knows or has reason to know that the official has a financial interest (Government Code § 87100 *et seq.*).
- 8) Requires candidates for, and current holders of, specified elected or appointed state and local offices and designated employees of state and local agencies to file statements of economic interest (SEI) disclosing their financial interests, including investments, real property interests, and income (Government Code § 81009 *et seq.*).

FISCAL EFFECT: None. This bill is keyed non-fiscal.

COMMENTS:

- 1) **Purpose of this bill.** According to the author, “[This bill] is a simple step to build public trust, strengthen accountability, and protect one of California’s most vital resources for future generations. California’s groundwater is a critical resource, supplying anywhere from 30% to 46% of the state’s water needs in an average year. Millions of residents, businesses, and farms rely on sustainable groundwater management to ensure long-term water security. Given the growing pressures of climate change and competing demands for water, it is vital that (GSAs) operate with the highest level of transparency and accountability.” The author maintains that this bill will increase GSA transparency and points to several examples of GSAs that have not listed their board membership as impetus for this bill.
- 2) **Background.** According to the Assembly Committee on Elections, as part of the PRA’s comprehensive scheme to prevent conflicts of interest by state and local public officials, certain elected and other high-level state and local officials must file an SEI (commonly referred to as a Form 700). The information that must be disclosed on an SEI, and the location at which an SEI is filed, varies depending on the position held by the individual who is required to file an SEI. Although there are some exceptions, individuals who are required to file an SEI typically must file that document with the agency of which they are an elected official or by which they are employed. In some cases, original SEIs or copies thereof are filed with the FPPC.

The requirement for public officials to file SEIs serves two purposes: first, to provide necessary information to the public about an official’s personal financial interests so there is assurance that officials are making decisions that do not enhance their personal finances; and second, to serve as a reminder to the public official of potential conflicts of interests so the official can recuse themselves from making or participating in governmental decisions that are deemed conflicts.

- 3) **Arguments in opposition.** The Association of California Water Agencies (ACWA) opposes this bill arguing that this bill establishes requirements for GSAs that are unique and do not apply to any other special district. Furthermore, ACWA asserts that with the passage of SB 1156 last year, existing transparency laws are sufficient and this bill is, therefore, unnecessary.
- 4) **Related legislation.** SB 1156 (Hurtado), Chapter 458, Statutes of 2024, requires the executive officer and members of the board of directors of a GSA to file a statement of economic interests with FPPC utilizing the FPPC’s online filing system.

REGISTERED SUPPORT / OPPOSITION:

Support

None on file

Opposition

Association of California Water Agencies

Oppose Unless Amended

Valley Ag Water Coalition

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