

Date of Hearing: July 1, 2025

**ASSEMBLY COMMITTEE ON WATER, PARKS, AND WILDLIFE**

Diane Papan, Chair

SB 72 (Caballero) – As Amended April 10, 2025

**SENATE VOTE:** 37-0

**SUBJECT:** The California Water Plan: long-term supply targets

**SUMMARY:** Revises and recasts requirements for the contents of the California Water Plan, requires the Department of Water Resources (DWR) to develop a long-term water supply planning target for 2050, and establishes an interim target to develop an additional nine million acre-feet (AF) of water by 2040. Specifically, **this bill:**

- 1) Recasts the California Water Plan as a comprehensive, strategic plan for the sustainable management and stewardship of California's water resources and requires the plan to include long-term water supply targets and strategies to meet those targets.
- 2) Requires DWR to establish an advisory committee in consultation with the California Water Commission to assist and provide input to DWR in updating the California Water Plan.
- 3) Adds representatives from the following groups to the advisory committee tasked with assisting DWR in updating the California Water Plan: tribes, labor representatives, and environmental justice interests.
- 4) Requires DWR to coordinate with the California Water Commission, the State Water Resources Control Board (State Water Board), other appropriate local, state, and federal agencies, and the stakeholder advisory committee to develop the California Water Plan.
- 5) Requires DWR to conduct a series of public workshops to allow for public input on updates to the California Water Plan. The location of workshops shall maximize geographic distribution to allow various interests and communities to provide input.
- 6) Requires each update of the California Water Plan to include the following components:
  - a) A discussion of environmental needs on a regional basis;
  - b) A discussion of urban sector water needs on a regional basis;
  - c) A discussion of agricultural water needs on a regional basis;
  - d) A summary of sources that could finance project types or actions identified in the plan; and
  - e) A discussion of the estimated costs, benefits, and impacts of any project type or action identified in the plan that could help achieve the plan's water supply targets.
- 7) Requires DWR to include an interim planning target for 2040 of nine million AF of additional water, water conservation, or water storage capacity in the 2028 update to the California Water Plan. Specifies this target may be achieved through a variety of strategies.

- 8) Requires DWR to update the interim planning target specified in #7 for 2050 as part of the 2033 update to the California Water Plan. Provides the target shall consider the identified and future needs for all beneficial uses of water. Requires subsequent updates to the California Water Plan to include a range of water supply targets that consider future scenarios with a 50-year planning horizon.
- 9) Requires DWR to incorporate opportunities for demand management and current and future needs of disadvantaged communities into its preliminary draft of assumptions and other estimates upon which updates to the California Water Plan are to be based.

**EXISTING LAW:**

- 1) Provides that the California Water Plan is the master plan that guides the orderly and coordinated development, management, and efficient utilization of the water resources of the state. Requires DWR to update the Water Plan every five years (Water Code § 10004 *et seq.*).
- 2) Requires DWR, as a part of updating the California Water Plan to:
  - a) Establish an advisory committee, comprised of representatives of agricultural and urban water suppliers, local government, business, production agriculture, and environmental interests, and other interested parties, to assist DWR in updating the California Water Plan [Water Code § 10004(b)(2)].
  - b) Conduct a study to determine the amount of water needed to meet the state's future needs and to recommend programs, policies, and facilities to meet those needs [Water Code § 10004.6(a)].
  - c) Include a discussion of strategies to meet the state's future water needs (Water Code § 10004.5).
- 3) Requires DWR, one year before issuing each update to the California Water Plan, to release a preliminary draft of the assumptions and other estimates upon which the study will be based, to interested persons and entities throughout the state for their review and comments. Prescribes a broad list of subjects on which DWR is required to release those assumptions and estimates, including hydrology, groundwater conditions, land use patterns, conservation practices, environmental water needs, demographic projections, etc. [Water Code § 10004.6(c)].
- 4) Declares that the California Water Plan is the master plan that guides the orderly and coordinated control, protection, conservation, development, management, and efficient utilization of the state's water resources; however, clarifies that this declaration does not constitute state approval for any project, water transfer, or financial assistance. Further, provides this declaration shall not be construed as a prohibition on the development of the state's water resources by any entity (Water Code § 10005).
- 5) Requires DWR to conduct a series of noticed hearings with interested persons, organizations, local, state, and federal agencies, and representatives of the diverse geographical areas and interests of the state (Water Code § 10005.1).

**FISCAL EFFECT:** Unknown. This bill is keyed fiscal.

**COMMENTS:**

- 1) **Purpose of this bill.** The author argues this bill is necessary to update the California Water Plan and ensure that it is anticipating water supply impacts of California's changing climate. The author states: "A reliable and sustainable water supply is critical to California's economy and to the quality of life for all Californians. While intermittent storms can give California a reprieve; prolonged droughts, aging infrastructure, more frequent and severe wildfires, population and economic growth, antiquated state policies and climate change impacts present unique challenges that threaten the survival of entire communities and sectors of the economy. Despite decades of work to improve California's water system, our infrastructure remains woefully inadequate to meet present and future needs. [This bill] would establish reasonable water supply targets to ensure the state adequately plans for water for all uses, including our urban areas, agriculture and the environment, by modernizing the California Water Plan for a 21st century climate. [This bill] would require that state agencies develop a plan to achieve set targets, in consultation with local water agencies, wastewater service providers and other stakeholders."
- 2) **Background.** The California Water Plan is "the master plan which guides the orderly and coordinated control, protection, conservation, development, management and efficient utilization of the water resources of the state." As a part of updating the California Water Plan every five years, DWR is required to include a discussion of various strategies, including those relating to the development of new water storage facilities, water conservation, water recycling, desalination, conjunctive use, and water transfers that may be used to meet future water needs of the state. Inclusion of a particular project or strategy does not constitute approval of or state financing for said project or strategy without further legislative action. As part of the update to the California Water Plan, DWR must also conduct a study to determine the amount of water needed to meet the state's future needs and to recommend programs, policies, and facilities to meet those needs.

According to DWR, the development of the California Water Plan dates back to the late 1800s. The first plan, which covered ideas for water distribution in the state, was put together in 1873. Subsequent reports were issued through the decades as DWR bulletins. The initial California Water Plan (known as Bulletin 3) was released in 1957 and was intended for "control, protection, conservation, distribution, and utilization of all the waters of California, to meet present and future needs for all beneficial uses and purposes in all areas of the state to the maximum feasible extent." Bulletin 3 and subsequent updates were mostly technical documents focused on water supply development. Over time, the plans were gradually expanded to reflect the growing conflicts over California's limited water resources. Since the 1998 update, the California Water Plan has moved from a technical document focused on water supply development to an evaluation of options for addressing significant water issues in California.

*2023 update.* Major themes of the 2023 update are addressing climate urgency, strengthening watershed resilience, and equity. The 2023 update indicates that total "applied" water use (urban, irrigated agriculture, and environmental water) ranged from 64.2 million AF to 90.6 million AF between the years 2016 and 2020. To address the water challenges facing California, the 2023 update outlines seven objectives; 23 recommendations

are embedded in these objectives and a total of 74 actions are embedded in the recommendations. The 2023 update incorporates the Governor's 2022 target to close the "evaporative gap" (see below).

*California's Water Supply Strategy, Adapting to a Hotter, Drier Future.* In August 2022, Governor Newsom released this strategy to address a projected 10% decrease in water supply (six million AF to nine million AF of water) by 2040 due to climate change. To address this shortfall, the strategy sets various targets to generate new water supply, reduce demand, and develop additional water storage by 2040. Those targets are:

- New supply: 2.4 million AF to be achieved through increased water recycling (1.8 million AF), desalination (84,000 AF), and stormwater capture (500,000 AF).
- Demand reduction: 500,000 AF through increased water conservation.
- Expanded water storage: four million AF of surface water and groundwater storage.

In total, the strategy identifies 2.9 million AF of "new" water and four million AF of increased storage capacity to "close the evaporative gap;" however, the Governor's strategy also includes an important caveat that "additional storage capacity does not equate to a similar volume of new water supply." The distinction between "new water" and expanded storage is important and one that this bill does not make. The expansion of water storage will be necessary to adapt to climate change, but it will only be filled when water is available given hydrologic conditions and must be consistent with existing water rights, water quality standards, and other regulations.

- 3) **Arguments in support.** The California Municipal Utilities Association (CMUA) is a co-sponsor of this bill and asserts that it is necessary to develop a water supply strategy that aligns with the challenges posed by climate change. CMUA maintains "Given the extreme climate impacts of the 21st century, an expanding economy, a growing population, the anticipated reductions from existing water resources, and the controls on the use of groundwater, California needs to align the state's water supply strategy and policies with a target that will result in an adequate and reliable water supply for all beneficial uses including the environment, agriculture, the economy, and all Californians. Recent research estimates a shortfall in California's future water supply between 4.6 and [nine] million [AF] annually by 2050 if the state takes no action." CMUA contends this bill "brings about the fundamental changes that are necessary to ensure a sustainable water future."
- 4) **Arguments in opposition.** The Mono Lake Committee opposes this bill arguing that it overemphasizes the development of new water supplies to meet California's needs. The Mono Lake Committee also points out that the interim target of nine million AF by 2040 in this bill "is significantly higher" than the 2040 target of approximately seven million AF that was set by the Governor in his 2022 California Water Supply Strategy and subsequently incorporated into the 2023 update to the California Water Plan. Further, the Mono Lake Committee objects to this bill's emphasis on water supply development and asserts that this focus will come at the expense of other strategies that address demand reduction, improved operations, and improved water quality, among others. They argue that this bill's focus is on "the most expensive options for developing a more reliable and resilient water system. We already have a water affordability problem in many parts of the state. Prioritizing these higher cost options will make the affordability problem just that much worse."

- 5) **Proposed technical amendment.** Legislative Counsel has notified this Committee that there is a conflict between this bill and AB 1520 (Committee on Water, Parks, and Wildlife). Both bills propose amendments to § 10004 of the Water Code. The Committee requests that the author take a chaptering out amendment so that the amendments to § 10004 in this bill replace and prevail over the version of § 10004 in AB 1520 should both bills be enacted.
- 6) **Related legislation.** SB 366 (Caballero) of 2023 was similar to this bill and would have revised and recast requirements for the contents of updates to the California Water Plan, required DWR to develop a long-term water supply planning target for 2050, and established an interim target of nine million AF of additional water, water supply, or water storage capacity by 2040. SB 366 was vetoed by the Governor. The veto message states:

“The bill would require [DWR], as part of the 2033 update, to revise the contents of the California Water Plan to, among other provisions, focus on developing a long-term water supply planning target for 2050 to identify and create plans for future water needs of various water sectors.

The California Water Plan (Plan), updated every five years, is the state's guidance document for sustainably and equitably managing, developing, and stewarding the state's water resources. My Administration recently released the 2023 Plan to lay out a statewide vision promoting climate resilience across regions, water sectors, and natural and built infrastructure. This Plan update includes clear goals, watershed-based climate resilience planning, and regional and interregional infrastructure modernization strategies.

While I appreciate the author's intent, this bill would create substantial ongoing costs for DWR, the [State Water Board], and other state agencies and departments to assist in the development of water supply planning targets. A revision to the Plan of this magnitude, that creates such significant costs, must be considered in the context of the annual budget.

In partnership with the Legislature this year, my Administration has enacted a balanced budget that avoids deep program cuts to vital services and protected investments in education, health care, climate, public safety, housing, and social service programs that millions of Californians rely on. It is important to remain disciplined when considering bills with significant fiscal implications that are not included in the budget, such as this measure. For these reasons, I cannot sign this bill.”

## **REGISTERED SUPPORT / OPPOSITION:**

### **Support**

California Council for Environmental and Economic Balance (co-sponsor)  
California Municipal Utilities Association (co-sponsor)  
California State Association of Counties (co-sponsor)  
Agricultural Council of California  
American Society of Civil Engineers, Region 9  
Associated Equipment Distributors  
Association of California Egg Farmers  
Association of California Water Agencies  
Bay Area Council

Bellflower Somerset Mutual Water Company  
Black Voice News  
Brea Chamber of Commerce  
Building Industry Association of Southern California  
Burbank Water and Power  
Caity Maple, Councilmember District 5, City of Sacramento  
CalDesal  
California Alfalfa and Forage Association  
California Alliance for Golf  
California Apple Commission  
California Association of Realtors  
California Association of Sanitation Agencies  
California Association of Wheat Growers  
California Association of Winegrape Growers  
California Bean Shippers Association  
California Blueberry Association  
California Building Industry Association  
California Business Roundtable  
California Chamber of Commerce  
California Citrus Mutual  
California Cotton Ginners and Growers Association  
California Democratic Party Rural Caucus  
California Farm Bureau  
California Farm Water Coalition  
California Fire Chiefs Association  
California Fresh Fruit Association  
California Grain and Feed Association  
California Groundwater Coalition  
California Hispanic Chamber of Commerce  
California Manufacturers and Technology Association  
California Pear Growers Association  
California Seed Association  
California Special Districts Association  
California State Floral Association  
California Walnuts  
California Warehouse Association  
California Water Association  
California Women for Agriculture  
California-Nevada Section American Water Works Association  
Calleguas Municipal Water District  
Camrosa Water District  
Chris Barajas, Councilmember, City of Jurupa Valley  
Citrus Heights Chamber of Commerce  
City of Corona  
City of Hemet  
City of Murietta  
City of Ontario  
City of Riverside  
City of Roseville

City of Thousand Oaks  
Coachella Valley Water District  
Community Water Systems Alliance  
Contra Costa Water District  
County of Fresno  
County of Monterey  
County of Riverside  
Cucamonga Valley Water District  
Desert Water Agency  
Dublin Chamber of Commerce  
East Bay Leadership Council  
Eastern Municipal Water District  
Economic Development Coalition  
El Dorado Irrigation District  
Elsinore Valley Municipal Water District  
Fire Districts Association of California  
Folsom Chamber of Commerce  
Friant Water Authority  
Grassland Water District  
Greater Riverside Chambers of Commerce  
Grower-Shipper Association  
HDR Engineering, Inc.  
Industrial Environmental Association  
Inland Empire Utilities Agency  
Irvine Ranch Water District  
Jeremy Smith, Councilmember, City of Canyon Lake  
Jurupa Community Services District  
Jurupa Mountains Discovery Center  
Kings River Conservation District  
Las Virgenes Municipal Water District  
League of California Cities  
Los Angeles Business Federation  
Mammoth Lakes Tourism  
McMullin Area Groundwater Sustainability Agency  
Metropolitan Water District of Southern California  
Mid-peninsula Water District  
Milk Producers Council  
Modesto Irrigation District  
Monday Morning Group of Riverside  
Mountain Counties Water Resources Association  
Municipal Water District of Orange County  
Murrieta Wildomar Chamber of Commerce  
Natasha Johnson, Councilmember, City of Lake Elsinore  
National Federation of Independent Business  
North Bay Leadership Council  
Northern California Water Association  
Olive Growers Council of California  
Olivenhain Municipal Water District  
Orange County Water District

Pacific Coast Renderers Association  
Pacific Egg and Poultry Association  
Palmdale Water District  
Puente Basin Water Agency  
Rancho California Water District  
Rebuild SoCal Partnership  
Regional Water Authority  
Rowland Water District  
Rubidoux Community Services District  
Rubio Canon Land and Water Association  
Rural County Representatives of California  
Sacramento Metropolitan Chamber of Commerce  
San Bernardino Area Chamber of Commerce  
San Bernardino Municipal Water Department  
San Bernardino Valley Municipal Water District  
San Diego County Water Authority  
San Gabriel County Water District  
San Gabriel Valley Economic Partnership  
San Gabriel Valley Regional Chamber of Commerce  
San Geronimo PASS Water Agency  
San Juan Water District  
San Luis Delta-Mendota Water Authority  
Santa Ana Watershed Project Authority  
Santa Margarita Water District  
Solano County Water Agency  
South San Joaquin Irrigation District  
Southern California Rental Housing Association  
Southern California Water Coalition  
Southwest California Legislative Council  
Southwest Riverside County Association of Realtors  
State Water Contractors  
Stockton East Water District  
Sweetwater Authority  
Tehama Colusa Canal Authority  
Temescal Valley Water District  
Three Valleys Municipal Water District  
Trabuco Canyon Water District  
Turlock Irrigation District  
United Ag  
United Water Conservation District  
Upper San Gabriel Valley Municipal Water District  
Urban Counties of California  
Utica Water and Power Authority  
Valley Ag Water Coalition  
Valley County Water District  
Valley Water  
Walnut Valley Water District  
Water Blueprint for the San Joaquin Valley Advocacy Fund  
Water Replenishment District



WaterReuse  
West Basin Municipal Water District  
West Valley Water District  
Western Agricultural Processors Association  
Western Canal Water District  
Western Growers Association  
Western Municipal Water District  
Western Plant Health Association  
Westlands Water District  
Zone 7 Water Agency

**Opposition**

California Outdoors  
California Sportfishing Protection Alliance  
Defenders of Wildlife  
Friends of the River  
Golden State Salmon Association  
Mono Lake Committee  
Planning and Conservation League  
Resource Renewal Institute  
Restore the Delta  
San Francisco Baykeeper  
Sierra Club California  
South Yuba River Citizens League  
Tuolumne River Trust

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