

Date of Hearing: June 16, 2026

ASSEMBLY COMMITTEE ON WATER, PARKS, AND WILDLIFE

Diane Papan, Chair

SB 997 (Caballero) – As Amended April 30, 2026

SENATE VOTE: 38-0

SUBJECT: North Fork Kings Groundwater Sustainability Agency: lien authority

SUMMARY: Authorizes the North Fork Kings Groundwater Sustainability Agency (GSA) to file a lien against a person who owes the GSA for outstanding fees or charges. Also, clarifies that North Fork Kings GSA may impose civil penalties on a person who exceeds their groundwater pumping limit. Specifically, **this bill:**

- 1) Authorizes the North Fork Kings GSA to impose civil penalties on any person who pumps more groundwater than authorized under a rule, regulation, ordinance, or resolution adopted by the GSA.
- 2) Authorizes the North Fork Kings GSA to file a lien on all property owned by a person that has not paid charges for water or other services due to the GSA.
- 3) Provides the lien has the force, priority, and effect of a judgment lien and shall continue for ten years from the date of its filing unless sooner released or otherwise discharged. Provides the lien may be extended for an additional ten years.

EXISTING LAW:

- 1) Enacts the Sustainable Groundwater Management Act (SGMA) with the goal of providing for the sustainable management of groundwater basins, enhancing local management of groundwater consistent with rights to use or store groundwater, providing local groundwater agencies with the authority and the technical and financial assistance necessary to sustainably manage groundwater, and establishing minimum standards for sustainable groundwater management. Defines sustainable management as the avoidance of six undesirable results: (i) chronic lowering of groundwater levels; (ii) significant and unreasonable reduction of groundwater storage; (iii) significant and unreasonable seawater intrusion; (iv) significant and unreasonable degraded water quality; (v) significant and unreasonable land subsidence; and (vi) depletions of interconnected surface waters (Water Code § 10720 *et seq.*).
- 2) Provides that any local agency or combination of local agencies may decide to become a GSA (Water Code § 10723).
- 3) Provides that a combination of local agencies may form a GSA through a joint powers agreement (JPA) or a memorandum of understanding (Water Code § 10723.6).
- 4) Provides that a person who pumps more groundwater than permitted pursuant to a rule, regulation, ordinance, or resolution adopted by a GSA shall be subject to a civil penalty not to exceed \$500 per acre-foot pumped in excess of the amount that person is authorized to pump [Water Code § 10732 (a)(1)].

- 5) Provides a GSA may bring an action in superior court to determine whether a violation of a rule, regulation, ordinance, or resolution adopted by the GSA has occurred and to impose civil penalties [Water Code § 10732 (b)(1)].
- 6) Provides a GSA may administratively impose civil penalties for a violation of a rule, regulation, ordinance, or resolution adopted by the GSA after providing notice and an opportunity for hearing [Water Code § 10732 (b)(2)].
- 7) Establishes the North Fork Kings GSA as the exclusive local agency to manage groundwater in portions of the Kings Subbasin and eastern Fresno County (Water Code § 10723 and Chapter 392, Statutes of 2016).
- 8) Authorizes the following types of water agencies to file a property lien for unpaid charges, services, assessments, or/and taxes: California Water District (Water Code § 36729); irrigation district (Water Code § 25806); county water district (Water Code § 31701.5); reclamation district (Water Code § 51256); county waterwork district (Water Code § 55501.5); water replenishment district (Water Code § 60256); levee district (Water Code § 70239); and municipal water district (Water Code § 71637).

FISCAL EFFECT: This bill is keyed non-fiscal indicating that there are no state costs anticipated as a result of this bill.

COMMENTS:

- 1) **Purpose of this bill.** The North Fork Kings GSA's enacting statute does not provide it with lien authority; however, the GSA anticipates needing lien authority going forward in order to implement its groundwater sustainability plan (GSP). According to the author:

GSAs created through a JPA have additional enforcement authority inherent to all JPAs, which includes lien authority for uncollected fees. GSAs formed under special statute, such as [North Fork Kings GSA] are limited to the minimal enforcement powers under SGMA, which does not explicitly grant the authority to impose liens to collect unpaid fees like other GSAs formed through a JPA. [This bill] is a straightforward district bill that aligns [North Fork Kings GSA's] enforcement authority with that of the majority of GSAs statewide to ensure the effective implementation of its groundwater sustainability program under SGMA.

- 2) **Background.** SGMA was enacted in 2014 to address the adverse impacts of groundwater overdraft across the state and to require sustainable management of groundwater resources. SGMA states a preference that groundwater be managed at the local level. To realize sustainable management, SGMA requires that local agencies in "high" and "medium" priority basins form GSAs by June 30, 2017. In a handful of cases, SGMA designates agencies that existed prior to the enactment of SGMA as the "exclusive" local agencies to manage groundwater within their respective statutory boundaries (Water Code § 10723). In some basins, additional agencies have been created and/or designated as the exclusive local agency to comply with SGMA since its passage. The North Fork Kings GSA is one of these agencies and was established in 2016.

The majority of GSAs in groundwater basins that do not have an "exclusive" agency are JPAs. JPAs are legally distinct entities made of two or more public agencies that enter into a

legal agreement to jointly exercise any power common to the member agencies (Government Code § 6502). SGMA explicitly authorizes the creation of a JPA to form a GSA (Water Code § 10723.6).

SGMA grants GSAs a variety of authorities in order to achieve sustainable groundwater management. These include the authority to develop a GSP, conduct investigations, require the registration of groundwater wells, regulate groundwater pumping, and to adopt rules, regulations and ordinances to carry out the GSP. Under SGMA, GSAs also have the authority to impose civil penalties for violations of a rule, regulation, ordinance, or resolution adopted by the GSA. SGMA does not grant GSAs lien authority, though it acknowledges that local agencies that opt to become a GSA may use their existing powers and authorities to implement SGMA (Water Code § 10726.8).

Kings Subbasin. The Kings Subbasin is a “high” priority and critically overdrafted basin that covers portions of eastern Fresno County (including the City of Fresno and Clovis) and portions of northeastern Kings County. The subbasin is bounded by the San Joaquin River on its northern border and the Kings River on a portion of its southern border. The North Fork Kings GSA is one of seven GSAs (others are Central Kings GSA, James GSA, Kings River East GSA, McMullin Area GSA, North Kings GSA, and South Kings GSA) managing areas of the Kings Subbasin in order to comply with SGMA. Each of the GSAs in the subbasin developed their own GSP; these GSPs were initially submitted in January 2020 as required under SGMA. The Department of Water Resources (DWR) determined the GSPs were “incomplete” in January 2022 and recommended revisions. The GSAs submitted revised GSPs in July 2022 and DWR determined the GSPs were “adequate” in March 2023. The GSPs are currently undergoing their first five-year review under SGMA.

Liens. Liens are legal claims against property that can result from unpaid debts, court rulings, or unresolved obligations. Some liens are tied to specific parcels, while others apply broadly to all property owned by an individual. Liens can be a powerful enforcement tool because outstanding liens must be resolved before an individual can sell their property. This bill authorizes the North Fork Kings GSA to record a lien on all property owned by an individual if that individual fails to pay charges for water or other services provided by the GSA.

No liens due to outstanding civil penalties. Amendments in the Senate Judiciary Committee removed authority for the North Fork Kings GSA to record a lien for unpaid civil penalties because of due process concerns regarding review by an independent arbiter, opportunity for judicial review, and opportunity for appeal before a lien is recorded:

The Fourteenth Amendment of the United States Constitution, and Section 15 of Article I of the California Constitution, prohibit the state from denying a person of life, liberty, or property without due process of law. The state’s protection of procedural due process “is much more inclusive and protects a broader range of interests than under the federal Constitution.” California’s “approach presumes that when an individual is subject to deprivatory governmental action, he always has a due process liberty interest in both fair and unprejudiced decision making,” which “places front and center the issue of critical concern, i.e., what procedural protections are warranted in light of governmental and private interests.” The question of whether it is appropriate to authorize a local government to place a lien on property for which a judgment of enforcement has been

entered is derivative of the question of whether the landowner was given adequate process before the judgment was entered.

- 3) **Arguments in support.** The North Fork Kings GSA is the sponsor of this bill and notes that they are limited to the authorities and powers delineated in their enacting statute, which does not include the authority to record property liens. North Fork Kings GSA maintains that this bill aligns their authority “with that of other GSAs formed as JPAs statewide to strengthen the agency’s enforcement and fee collection capability and supports the fair and effective implementation of our groundwater sustainability efforts now and into the future.”
- 4) **Double referral.** This bill has also been referred to the Assembly Judiciary Committee.
- 5) **Related legislation.** AB 1044 (Macedo) of 2025 creates the Tule East GSA to oversee groundwater management and compliance with SGMA in portions of the Tule Subbasin in eastern Tulare County. AB 1044 is pending on the Assembly Inactive File.

AB 568 (Macedo) of 2025 is substantially similar to AB 1044. AB 568 is pending on the Assembly Inactive File.

AB 632 (Hart) of 2025 would have allowed a local agency, upon the exhaustion of administrative and judicial appeals and specified noticing procedures, to obtain a final judgment and impose liens to enforce administrative fines and penalties for violations of specified cannabis laws, housing laws, and fire hazard laws. AB 632 was vetoed by Governor Newsom.

SB 372 (Cannella), Chapter 357, Statutes of 2017, establishes the San Joaquin River Exchange Contractors GSA to manage a portion of the Delta-Mendota groundwater subbasin.

SB 37 (Vidak), Chapter 391, Statutes of 2016, establishes the Kings River East GSA to manage the southeastern portion of the Kings groundwater subbasin.

SB 564 (Cannella), Chapter 392, Statutes of 2016, established the North Fork Kings GSA to manage the northeastern portion of the Kings groundwater subbasin.

REGISTERED SUPPORT / OPPOSITION:

Support

North Fork Kings GSA (sponsor)
California Farm Bureau Federation
California State Association of Counties
Rural County Representatives of California
Valley Ag Water Coalition

Opposition

None on file

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