



**COMMUNITY AND LEGISLATIVE AFFAIRS
COMMITTEE MEETING
OF THE BOARD OF DIRECTORS
INLAND EMPIRE UTILITIES AGENCY*
AGENCY HEADQUARTERS, CHINO, CALIFORNIA**

**WEDNESDAY, MARCH 8, 2017
9:00 A.M.**

CALL TO ORDER

PUBLIC COMMENT

Members of the public may address the Board on any item that is within the jurisdiction of the Board; however, no action may be taken on any item not appearing on the agenda unless the action is otherwise authorized by Subdivision (b) of Section 54954.2 of the Government Code. Those persons wishing to address the Board on any matter, whether or not it appears on the agenda, are requested to complete and submit to the Board Secretary a "Request to Speak" form, which are available on the table in the Board Room. Comments will be limited to five minutes per speaker. Thank you.

ADDITIONS TO THE AGENDA

In accordance with Section 54954.2 of the Government Code (Brown Act), additions to the agenda require two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted.

1. ACTION ITEMS

A. MINUTES

The Committee will be asked to approve the Community and Legislative Affairs Committee meeting minutes of February 8, 2017.

2. INFORMATION ITEMS

A. PUBLIC OUTREACH AND COMMUNICATION (WRITTEN)


B. LEGISLATIVE REPORTS (WRITTEN)

1. West Coast Advisors
2. Innovative Federal Strategies
3. Agricultural Resources

- C. **CALIFORNIA STRATEGIES MONTHLY REPORT (WRITTEN)**
- D. **FEDERAL LEGISLATION MATRIX (WRITTEN)**
- 3. **GENERAL MANAGER'S COMMENTS**
- 4. **COMMITTEE MEMBER COMMENTS**
- 5. **COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS**
- 6. **ADJOURN**

*A Municipal Water District

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Board Secretary (909-993-1736), 48 hours prior to the scheduled meeting so that the Agency can make reasonable arrangements.

Proofed by: 

DECLARATION OF POSTING

I, April Woodruff, Board Secretary of the Inland Empire Utilities Agency, A Municipal Water District, hereby certify that a copy of this agenda has been posted by 5:30 p.m. in the foyer at the Agency's main office, 6075 Kimball Avenue, Building A, Chino on Thursday, March 2, 2017.



April Woodruff

**ACTION
ITEM
1A**



MINUTES

**COMMUNITY AND LEGISLATIVE AFFAIRS
COMMITTEE MEETING
INLAND EMPIRE UTILITIES AGENCY*
AGENCY HEADQUARTERS, CHINO, CA**

**WEDNESDAY, FEBRUARY 8, 2017
9:00 A.M.**

COMMITTEE MEMBERS PRESENT

None

STAFF PRESENT

April Woodruff, Board Secretary/Office Manager

OTHERS PRESENT

None

The meeting was called to order at 9:00 a.m.

Adjourned the meeting at 9:00 a.m. due to lack of quorum.

Respectfully submitted,

April Woodruff
Board Secretary/Office Manager

*A Municipal Water District

APPROVED: MARCH 8, 2017

INFORMATION

ITEM

2A

Date: March 15, 2017

To: The Honorable Board of Directors

Through: Community and Legislative Affairs Committee (3/8/17)

From: P. Joseph Grindstaff
General Manager

Submitted by: Kathy Besser
Manager of External Affairs

Subject: Public Outreach and Communication

RECOMMENDATION

This is an informational item for the Board of Directors to receive and file.

BACKGROUND

March

- March 20-26, Fix a Leak Week
- March 20, IEUA Hosted Special Districts Dinner (Keynote: Randall Lewis – Executive Vice President, Marketing – Lewis Group of Companies), Panda Inn: 3223 E. Centrelake Drive, Ontario
- March 22, World Water Day
- March 24, Montclair High School, Garden in Every School® Dedication, 4725 Benito Street, Montclair, 3:00 p.m.

April

- April 13, Arroyo Elementary, Garden in Every School® Dedication, 1700 E. 7th Street, Ontario, 5:30 p.m.
- April 19, Student Earth Day, Chino Creek Wetlands and Educational Park, 9:00 a.m. – 2:00 p.m.
- April 20, Community Earth Day, Chino Creek Wetlands and Educational Park, 4:00 p.m. – 7:00 p.m.
- April 29, National Prescription Drug Take Back Day

May (Water Awareness Month)

- May 4, IERCF 10 Year Anniversary Celebration
- May 7-13, International Compost Awareness Week

- May 10, Townsend Junior High, Garden in Every School® Dedication, 15359 Ilex Drive, Chino Hills, 5:30 p.m.
- May 19-21, MWD Solar Cup Competition, Lake Skinner

Outreach/Education - Civic Publications Newspaper Campaign

- IEUA is working with Civic Publications to update the KickWaterWaste.com micro-site.
- IEUA is working with Civic Publications to distribute themed email blasts each month for March through June.

Media and Outreach

- IEUA is continuing to run banner ads through *Fontana Herald News* and *La Opinión* newspapers.
- Staff has developed spring messages for the season that align with the *Kick the Habit* brand and include a “Spring Into Action” theme.
- A *Kick the Habit* ad will run in the April issue of IE Magazine in the Primetime section.
- A *Kick the Habit* ad will run in the Champion Newspaper’s *Progress Edition* on April 8.
- In February, 30 posts were published to the IEUA Facebook page and 34 tweets were sent on the @IEUAWater Twitter handle.
- The top three Facebook posts, based on reach and engagement, in the month of February were:
 - 2/15: “Water is Life” Traveling Art Exhibit Featuring Winning Artwork by 5th grade student from Cal Aero Preserve Academy
 - 2/4: Mark Your Calendars: Earth Day – April 20, 2017
 - 2/15: Regional Leader Appointed to California Association of Sanitation Agencies Board of Directors

Education and Outreach Updates

- Staff is continuing to book Water Discovery field trips for the current school year. To date, staff has scheduled and provided field trips to approximately 2,053 students from October 1, 2016 through June 29, 2017.
- IEUA staff held a Project WET and Garden Mini-Grant workshop on March 2. Partnering agencies assisted in activity discussion. Each school that was represented became eligible for a mini-grant for their Garden in Every School® water-wise garden as well as becoming Project WET certified.
- Staff has awarded four schools the Garden in Every School® water-wise grant for program year 2016/17. Schools awarded include: Arroyo Elementary in Ontario, Rolling Ridge Elementary in Chino Hills, Townsend Junior High School in Chino Hills, and Montclair High School in Montclair. Planting has been completed at Arroyo Elementary School, and a reading bench was installed. Townsend Junior High School’s planting has been completed. Rolling Ridge Elementary School’s planting has been completed. Montclair High School’s garden installation has been completed. Dedication ceremonies are planned for spring 2017.
- The deadline for the 2017 “Water is Life” poster contest is March 30, 2017.

- Staff has completed scheduling schools for the Earth Day field trip portion. Currently, 1,330 students are scheduled to attend the student day on April 19, 2017.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

The above-mentioned activities are budgeted in the FY 2016/17 Administrative Service Fund, External Affairs Services budget.

INFORMATION

ITEM

2B



February 23, 2017

To: Inland Empire Utilities Agency

From: Michael Boccadoro
Beth Olhasso

RE: February Legislative Report

Overview:

The hottest topics in Sacramento in February were massive precipitation and flooding, followed closely by bill introductions in the Legislature. All eyes were on Lake Oroville, as a damaged spillway led to risk of catastrophic flooding. Swollen rivers, compromised levees, and heavy downpours led to flooding throughout the state. Major and minor highways are closed, or at reduced capacity due to landslides and damage from harsh storms. Forecasts for the end of February and the first part of March predict that the northern part of the state will likely see a little reprieve, with no significant storms moving through.

The State Water Resources Control Board was busy in February as well. At the beginning of the month, the Board approved extending the emergency conservation measures for another 270 days. There were strong objections by many water agencies, but the Board moved ahead with the extension and noted that they would look at the water supply situation in the Spring to see if the measures could be removed. Additionally, the Board approved their priorities for drinking water regulations for 2017. The top of the list includes a MCL for 1,2,3- TCP and surface water augmentation regulations for use of recycled water.

Just shy of 2,500 bills have been introduced since January 3, most of those coming just before the bill introduction deadline on February 17. While many are “spot bills,” we now have some indication of popular issues being pursued this session. Hot topics include water conservation, recycled water, increasing renewable energy targets and funding drinking water for disadvantaged communities.

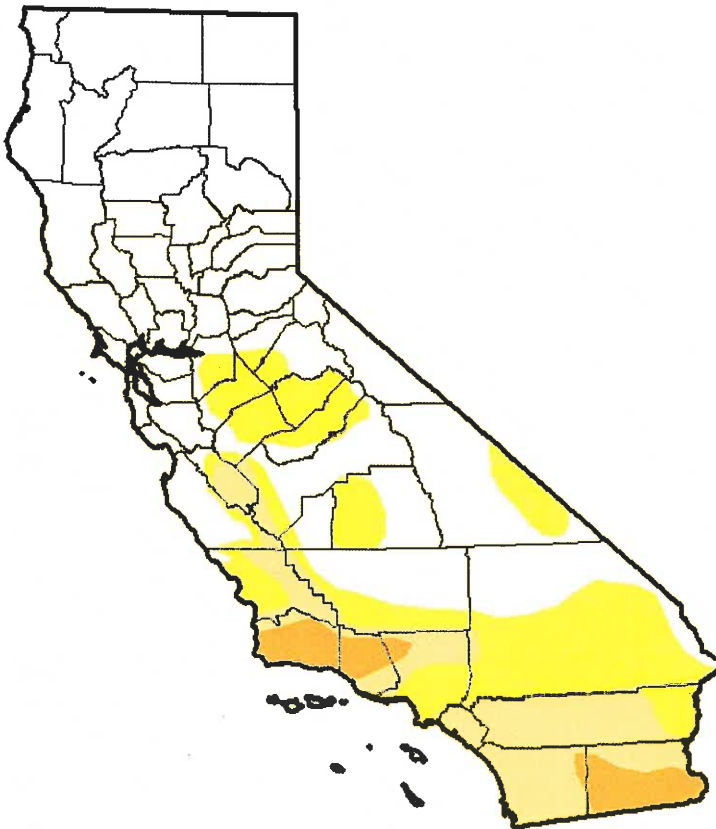
In response to the emergency at Oroville, Governor Jerry Brown announced a spending plan to bolster the state’s dams and flood protection structures. The proposal is to invest \$437 million in near-term flood control and emergency response actions by redirecting \$50 million from the General Fund and requesting a \$387 million Proposition 1 appropriation from the Legislature as soon as possible. The Governor committed to working with the Legislature on long-term solutions, like Proposition 218 reform in the coming session.

Inland Empire Utilities Agency Status Report – February 2017

Water Supply Conditions

Storms, one after the other, pounded into California in February, filling reservoirs, causing flooding, washing out roads, and causing general havoc in most parts of the state. With the situation in Oroville stabilizing, focus shifted to other localized flooding in both northern and southern California. Even though the storms did cause some problems, the amount of water they brought to the state helped improve the drought conditions throughout California. For the first time since August 6, 2013 no part of the state is in the “extreme drought” conditions. Additionally, more than 83 percent of the state is completely out of the drought, with just 4 percent of the state remaining in “severe drought” conditions. The remaining 13 percent of the state is facing moderate drought conditions.

U.S. Drought Monitor California



February 21, 2017

(Released Thursday, Feb. 23, 2017)

Valid 7 a.m. EST

Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	61.66	38.34	16.87	4.19	0.00	0.00
Last Week 2/14/2017	43.94	56.06	24.19	7.41	0.73	0.00
3 Months Ago 11/22/2016	12.03	87.97	73.04	60.27	42.80	21.04
Start of Calendar Year 1/3/2017	18.07	81.93	67.61	54.02	38.17	18.31
Start of Water Year 8/27/2016	0.00	100.00	83.59	62.27	42.80	21.04
One Year Ago 2/23/2016	0.43	99.57	94.38	81.82	60.86	38.48

Intensity:

- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

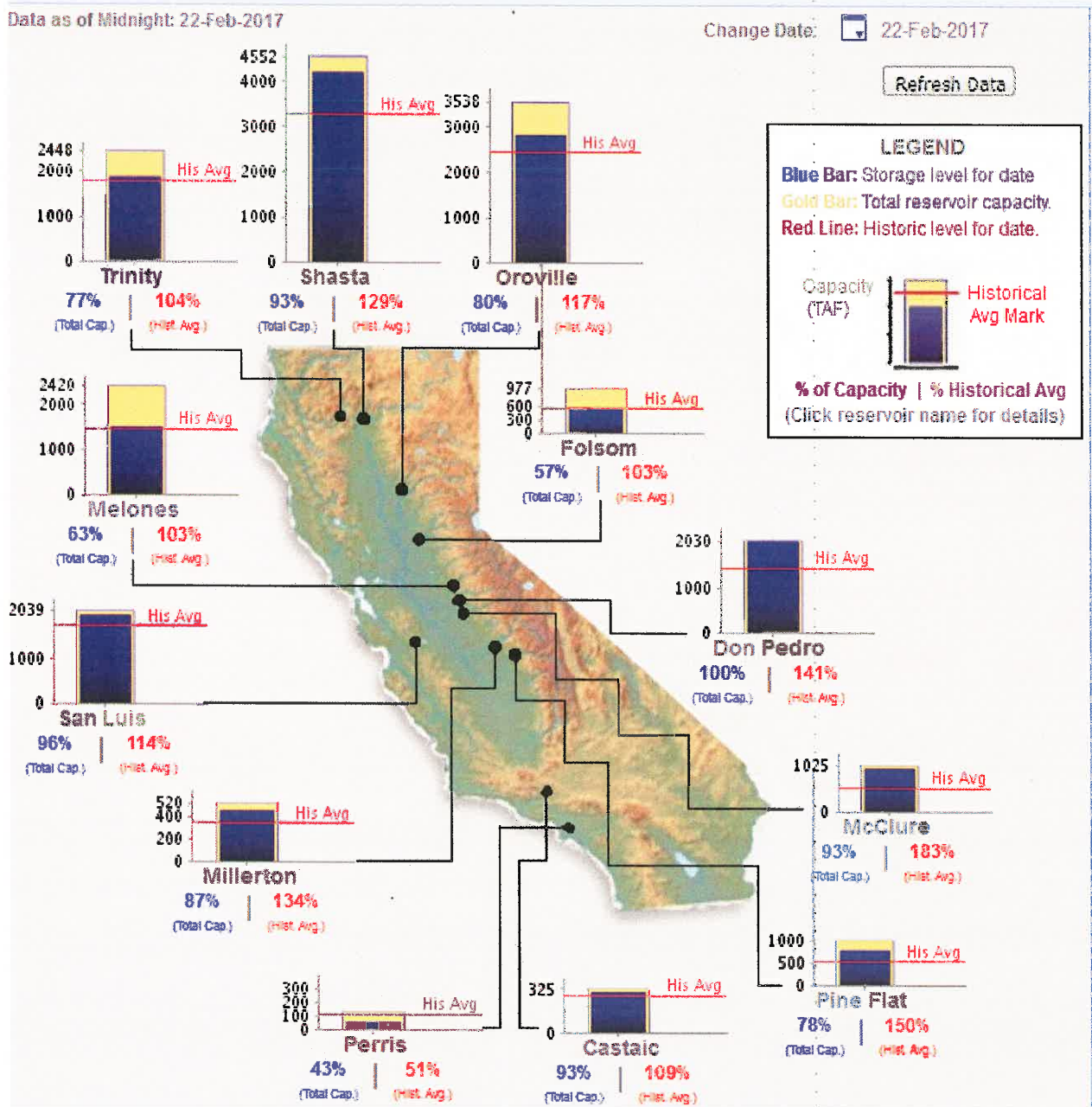
The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for forecast statements.

Author:
Richard Heim
NCE/NOAA



<http://droughtmonitor.unl.edu/>

Reservoir conditions continue to improve as well. While some Southern California reservoirs, especially those in the Santa Barbara area, continue to lag behind in storage levels, most reservoirs are reaching capacity. The big State Water Project (SWP) reservoirs are at capacity, with room left for spring runoff and large storm events. The Metropolitan Water District of Southern California (MWD) has indicated that they will likely fill Diamond Valley Lake. MWD has also noted that they will likely be able to rely solely on SWP supplies, allowing water to refill the critically low, Lake Mead, which is only 42 percent full.



State Water Resources Control Board Updates

Emergency Conservation Regulations Extended

The State Water Resources Control Board (SWRCB) unanimously voted to extend the emergency conservation regulations for another six months. The extension keeps in place the “stress test,” by which agencies can self-certify they have enough water supplies to meet demand for an additional three years. Additionally, agencies must continue to report their water usage data on a monthly basis to the SWRCB. While the Board recognized that water supply conditions are improving greatly, they seemed most concerned about losing the monthly usage data. Until there are new long-term conservation/efficiency measures in place, the Board wants to retain the ability to get monthly data from every water agency in the state.

The extension included a provision allowing the Board to revisit the emergency regulation in the Spring, after the full water supply conditions are known. They could, at that time, remove the emergency regulations. However, only the Governor can remove the emergency drought declaration for the state.

2017 Drinking Water Regulation Prioritization Approved

The SWRCB approved a list of ten drinking water regulation items to prioritize for 2017. The list includes:

1. MCL for 1,2,3- Trichloropropane (1,2,3- TCP)
2. Surface Water Augmentation Regulation for Recycled Water
3. Revised Total Coliform Rule
4. Lead and Copper Rule
5. MCL for Perchlorate
6. Environmental Laboratory Accreditation Program Regulations
7. Permanent Point of Use/Point of Entry Regulations
8. Unregulated Contaminant Monitoring Rule
9. Primacy Package Applications
10. Work to support Direct Potable reuse

Governor Announces Spending Plan for Flood Protection

After a surprise visit to assess the damage at Oroville, the Governor announced a four-point plan to bolster dam safety and flood protection:

1. Invest \$437 million in near-term flood control and emergency response actions by redirecting \$50 million from the General Fund and requesting a \$387 million Proposition 1 appropriation from the Legislature as soon as possible.
2. Require emergency action plans and flood inundation maps for all dams.
3. Enhance California's existing dam inspection program.
4. Seek prompt regulatory action and increased funding from the federal government to improve dam safety.

The Governor noted that California has nearly \$50 billion in unmet flood management

infrastructure needs. To address these needs, Governor Brown committed the Administration to continue to work with the Legislature through the budget process on solutions, including potential changes to Proposition 218.

Legislative Update

Bill introductions for the 2017 Legislative Session are now complete with about 2,500 bills being introduced. While many are just in “spot” form, meaning they only give a vague idea of what the bill will be about, without offering any substantive language, we are getting a good picture of the hot topics in the Legislature this year.

Delta Bills

It looks like Assemblymember Jim Frazier has taken up the Delta cause in the absence of termed-out Senator Lois Wolk. He has introduced three bills, all in spot form, that look to put road blocks in front of the California WaterFix project. The language isn’t fleshed out yet, but the bills address a conveyance facility, the change in the point of diversion, and financing. WCA will keep an eye on AB 791, AB 792 and AB 793 as they are amended in the coming weeks.

Water Financing Bills

Both Senators Hertzberg and Monning have bills that would create a fund for clean drinking water. Both are in spot form at this point but essentially do the same thing. SB 623 (Monning) creates the “Safe, Affordable Drinking Water Fund” but does not yet include a provision stating where the money will come from. SB 778 (Hertzberg) states that it is the intent of the Legislature to enact legislation that would impose a charge that would assist the state in providing safe safe drinking water to the residents of California.

Both bills will be amended to add in specifics and are sure to be some of the most significant bills of the year. Recent polling has shown that a majority of Californians support some sort of fee to provide drinking water for all Californians.

Recycled Water Bills

There are a significant number of bills regarding recycled water. Most are in spot form. As discussed in the last report, the WaterReuse bill (AB 574, Quirk) would re-define specific categories of recycled water. Many of the other bills seek to preemptively address what is believed to be coming out in the long-term conservation/efficiency measures from the administration. AB 869 (Rubio) will likely work to ensure that recycled water is not counted towards efficiency standards. AB 1323 (Weber) would require the Department of Water Resources to convene a stakeholder group that would develop, evaluate and recommend proposals for establishing new water use targets. Finally, Assemblymember Harper has three spot bills that indicate they might deal with recycled water, but the author’s office has noted that they don’t know what will go into them yet.

There are many other bills that are on the topic of recycled water and water generally that are still in spot form. As amendments are made to bills, WCA will report on the specifics.

Energy Bills

In addition to the cap and trade extension bill discussed in the January report, President pro Tem de Leon has introduced a bill, SB 584, that changes the Renewable Portfolio Standard (RPS) targets from 50 percent by 2030, to 50 percent by 2025. Additionally, it requires the state to operate solely (100 percent) on renewable energy by the end of 2045.

Both Senator Nancy Skinner and Assemblymember Kevin Mullin have introduced bills (AB 1405 and SB 338), still in “spot” form, but both are believed to be vehicles to require 100 percent of peak energy to be derived from renewables by an unspecified date.

Proposition 218 Reform

Senator Bob Hertzberg has introduced two bills to address Proposition 218 reform. The bills pick up where 2016 ACWA effort left off. SB 231 is sponsored by the California Water Foundation and addresses stormwater, specifically how to finance stormwater capture, cleanup and reuse in rates. And SCA 4, is a constitutional amendment that would address lifeline and conservation rates. There is a tentative agreement from the Association of California Water Agencies (ACWA) to sponsor SCA 4, but ACWA has provided the Senator with a list of conditions to their sponsorship. The Senator’s staff has indicated that they will let ACWA know if those conditions can be met by the first week of March.

The following is a list of bills WCA initially picked out for IEUA to track. WCA will work with the Legislative Affairs Committee and staff as the bills become more substantive to identify “priority bills” IEUA will track this year.

Bay Delta

AB 791 (Frazier D) Sacramento-San Joaquin Delta: State Water Project and federal Central Valley Project: new conveyance facility.

Summary: The Sacramento-San Joaquin Delta Reform Act of 2009 prohibits construction of a new Delta conveyance facility from being initiated until the persons or entities that contract to receive water from the State Water Project and the federal Central Valley Project or a joint powers authority representing those entities have made arrangements or entered into contracts to pay for certain costs required for the construction, operation, and maintenance of the facility and full mitigation of property tax or assessments levied for land used in the construction, location, mitigation, or operation of the facility. This bill would make nonsubstantive changes in these provisions.

AB 792 (Frazier D) Sacramento-San Joaquin Delta: State Water Project and federal Central Valley Project: change in the point of diversion.

Summary: Under the Sacramento-San Joaquin Delta Reform Act of 2009, until the State Water Resources Control Board issues an order approving a change in the point of diversion of the State Water Project and the federal Central Valley

Project from the southern Delta to a certain point on the Sacramento River, the Department of Water Resources is prohibited from commencing construction of any diversion, conveyance, or other facility necessary to divert and convey water pursuant to the change in the point of diversion. This bill would make a nonsubstantive change in these provisions.

AB 793 (Frazier D) Sacramento-San Joaquin Delta: financing.

Summary: Would declare it to be state policy that the natural state of the Sacramento-San Joaquin Delta is recognized and defined as an integral component of California's water infrastructure. The bill would state that the maintenance and repair of the Delta are eligible for the same forms of financing as other water collection and treatment infrastructure and would specify the maintenance and repair activities that are eligible are limited to certain cleanup and abatement-related restoration and conservation activities.

AB 1050 (Allen, Travis R) Fish and wildlife: Delta smelt.

Summary: The California Constitution provides for the delegation to the Fish and Game Commission powers relating to the protection and propagation of fish and game. Current statutory law delegates to the commission the power to regulate the taking or possession of birds, mammals, fish, amphibians, and reptiles in accordance with prescribed laws. Under current law, the Department of Fish and Wildlife exercises various functions with regard to the taking of fish and wildlife. This bill would state the intent of the Legislature to enact legislation relating to Delta smelt.

CEQA

SB 80 (Wieckowski D) California Environmental Quality Act: notices.

Summary: The California Environmental Quality Act requires the lead agency to mail certain notices to persons who have filed a written request for notices. The act provides that if the agencies offer to provide the notices by email, upon filing a written request for notices, a person may request that the notices be provided to him or her by email. This bill would require the lead agency to post those notices on the agency's Internet Web site. The bill would require the agency to offer to provide those notices by email. Because this bill would increase the level of service provided by a local agency, this bill would impose a state-mandated local program.

Energy

AB 36 (Nazarian D) Eligible fuel cell electrical generating facilities: net energy metering.

Summary: Current law requires that an electrical corporation file with the PUC a standard tariff providing for net energy metering for eligible fuel cell customer-generators and make this tariff available to eligible fuel cell customer-generators upon request, on a first-come-first-served basis, until the total cumulative rated generating capacity of the eligible fuel cell electrical generating facilities receiving service pursuant to the tariff reaches a specified level. Current law provides that a fuel cell electrical generating facility is not eligible for the tariff unless it commences operation on or before December 31, 2021. This bill would make a nonsubstantive change to the above provision.

AB 151 (Burke D) California Global Warming Solutions Act of 2006: market-based compliance mechanisms.

Summary: Would state the intent of the Legislature to enact legislation that authorizes the State Air Resources Board to utilize a market-based compliance mechanism after December 31, 2020, in furtherance of the statewide greenhouse gas emissions limit of at least 40% below the 1990 level by 2030. This bill contains other existing laws.

AB 277 (Mathis R) Water and Wastewater Loan and Grant Program.

Summary: The Safe Drinking Water State Revolving Fund Law of 1997 establishes the Safe Drinking Water State Revolving Fund to provide grants or revolving fund loans for the design and construction of projects for public water systems that will enable those systems to meet safe drinking water standards. This bill would, to the extent funding is made available, authorize the State Water Resources Control Board to establish the Water and Wastewater Loan and Grant Program to provide funding to eligible applicants for specified purposes relating to drinking water and wastewater treatment.

AB 302 (Gipson D) Greenhouse Gas Reduction Fund: 3-year investment plan.

Summary: Current law requires all moneys, except for fines and penalties, collected by the State Air Resources Board from a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation by the Legislature. Current law requires the Department of Finance, in consultation with the state board and any other relevant state agency, to develop, as specified, a 3-year investment plan for the moneys deposited in the Greenhouse Gas Reduction Fund. Current law requires appropriations from the fund to be made in the annual Budget Act. This bill would make technical, nonsubstantive changes to those provisions.

AB 378 (Garcia, Cristina D) California Global Warming Solutions Act of 2006: regulations.

Summary: Would require the State Air Resources Board to consider and account for the social costs of the emissions and greenhouse gases when

adopting those rules and regulations. The bill would authorize the state board to adopt or subsequently revise new regulations that establish a market-based compliance mechanism, applicable from January 1, 2021, to December 31, 2030, to complement direct emissions reduction measures in ensuring that statewide greenhouse gas emissions are reduced to at least 40% below the 1990 level by 2030.

AB 523 (Reyes D) Electric Program Investment Charge: allocation.

Summary: Would require the Energy Commission to allocate at least 25% of the moneys in the Electric Program Investment Charge Fund for technology demonstration and deployment at sites located in disadvantaged communities, as defined. The bill would require the Energy Commission to allocate at least 10% of the moneys in the fund for technology demonstration and deployment at sites located in, or benefiting, low-income communities, as defined. The bill would require the Energy Commission to give preference for funding to clean energy projects under the EPIC program that benefit residents of low-income or disadvantaged communities.

AB 546 (Chiu D) Land use: local ordinances: energy systems.

Summary: Would, on or before September 30, 2018, for a city, county, or city and county with a population of 200,000 or more residents, or January 31, 2019, for a city, county, or city and county with a population of less than 200,000 residents, require the city, county, or city and county to make all documentation and forms associated with the permitting of advanced energy storage, as defined, available on a publicly accessible Internet Web site, as specified.

AB 594 (Irwin D) Water supply planning: California Environmental Quality Act: photovoltaic or wind energy generation facility.

Summary: Current law requires a city or county that determines that a project, as defined, is subject to the California Environmental Quality Act to identify any public water system that may supply water for the project and to request those public water systems to prepare a specified water supply assessment. If no public water system is identified, the city or county is required to prepare the water supply assessment. Current law, until January 1, 2018, exempts from the definition of "project" a proposed photovoltaic or wind energy generation facility that would demand no more than 75 acre-feet of water annually. This bill would indefinitely exempt from the definition of "project" a proposed photovoltaic or wind energy generation facility that would demand no more than 50 acre-feet of water annually.

AB 655 (O'Donnell D) California Renewables Portfolio Standard Program.

Summary: The California Renewables Portfolio Standard Program requires the Public Utilities Commission to establish a renewables portfolio standard requiring all retail sellers, as defined, to procure a minimum quantity of electricity products from eligible renewable energy resources, as defined, so that

the total kilowatthours sold to their retail end-use customers achieves 25% of retail sales by December 31, 2016, 33% by December 31, 2020, 40% by December 31, 2024, 45% by December 31, 2027, and 50% by December 31, 2030. This bill would make nonsubstantive revisions to a definition applicable to the program.

AB 881 (Gallagher R) Solid waste: composting: anaerobic digestion.

Summary: Would express the intent of the Legislature to enact legislation to encourage investment in anaerobic digestion.

AB 914 (Mullin D) Transmission planning: energy storage and demand response.

Summary: Would require the Public Utilities Commission, in its participation in the ISO's transmission planning process, to promote the consideration of the use of energy storage systems and demand response as means to address the state's transmission needs before the use of transmission wires.

AB 954 (Chiu D) Organic waste: reduction.

Summary: Would require the Department of Resources Recycling and Recovery to include in the analysis of the progress made on the organic waste reduction targets the status of industry efforts and federal legislation to reduce consumer food waste, including the adoption of uniform labels on food. By adding to the duties of local governments related to organic waste in landfills, this bill would impose a state-mandated local program.

AB 1030 (Ting D) Energy storage systems.

Summary: Would require the PUC to establish a program to incentivize residential and commercial customers to adopt energy storage systems. Because a violation of any order, decision, rule, direction, demand, or requirement of the PUC implementing these requirements would be a crime, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

AB 1036 (McCarty D) Organic waste: composting.

Summary: Current law requires the California Environmental Protection Agency and the Department of Food and Agriculture, with the Department of Resources Recycling and Recovery, the State Water Resources Control Board, and the State Air Resources Board, to, among other things, assess the state's progress toward developing the organic waste processing and recycling infrastructure necessary to meet the state goals specified in certain state laws and documents. This bill would require those entities to assess the state's progress towards developing the organic waste processing and recycling infrastructure necessary to meet the state goals specified in an additional state law, as provided, and would make other changes in these provisions.

AB 1184 (Ting D) Energy storage systems.

Summary: Current law requires the PUC to open a proceeding to determine appropriate targets, if any, for each load-serving entity, as defined, to procure viable and cost-effective energy storage systems, as defined, to be achieved by December 31, 2015, and December 31, 2020. If determined to be appropriate, the PUC is required to adopt the procurement targets, by October 1, 2013, and to reevaluate the determinations not less than once every three years. Current law excludes an electrical corporation that has 60,000 or fewer customer accounts within California from these requirements. This bill would make a nonsubstantive change to the definition of an “energy storage system” applicable to the above-described requirements.

AB 1198 (Dahle R) Net energy metering.

Summary: Current law requires the Public Utilities Commission to ensure that the standard contract or tariff made available to eligible customer-generators ensures that customer-sited renewable distributed generation continues to grow sustainably and include specific alternatives designed for growth among residential customers in disadvantaged communities. This bill would define “disadvantaged communities” for these purposes.

AB 1274 (O'Donnell D) Carl Moyer Memorial Air Quality Standards Attainment Program.

Summary: Current law establishes the Carl Moyer Memorial Air Quality Standards Attainment Program, which is administered by the State Air Resources Board. The program authorizes the state board to provide grants to offset the incremental cost of eligible projects that reduce emissions from covered vehicular sources. The program also authorizes funding for a fueling infrastructure demonstration program and for technology development efforts that are expected to result in commercially available technologies in the near-term that would improve the ability of the program to achieve its goals. This bill would make nonsubstantive changes to these provisions.

AB 1288 (Eggman D) Solid waste: charges.

Summary: The California Integrated Waste Management Act of 1989 requires the operator of a disposal facility to pay to the State Board of Equalization a fee based on the amount of all solid waste disposed of at each disposal site. The act requires the department to establish the amount of the fee, as specified, and limits the fee to a maximum of \$1.40 per ton. Current law requires the moneys collected from the fee to be deposited in the Integrated Waste Management Account and requires the moneys in the account to be used by the department, upon appropriation, for specified purposes, including, among others, the administration and implementation of the act. This bill would require the department to use the moneys in the account also to maintain a prudent reserve for the administration and implementation of the act.

AB 1342 (Flora R) Greenhouse Gas Reduction Fund: appropriations.

Summary: Would continuously appropriate \$100,000,000 from the Greenhouse Gas Reduction Fund to the Department of Forestry and Fire Protection for healthy forest programs that reduce greenhouse gas emissions caused by uncontrolled wildfires, as specified. The bill would continuously appropriate \$100,000,000 from the fund to the Department of Resources Recycling and Recovery for instate organic waste recycling projects that reduce greenhouse gas emissions, as specified.

AB 1405 (Mullin D) Electricity: Clean Peak Energy Standard.

Summary: Would require the Public Utilities Commission to ensure that an unspecified percentage of the energy delivered to ratepayers during the peakload time period by load-serving entities is derived from eligible renewable resources or energy storage systems. Because a violation of an order or direction of the commission would be a crime, this bill would impose a state-mandated local program.

AB 1494 (Patterson R) Energy efficiency.

Summary: Current law authorizes the State Energy Resources Conservation and Development Commission to prescribe, by regulation, energy efficiency standards, including appliance efficiency standards. This bill would make nonsubstantive revisions to these provisions.

AB 1662 (Oberholte R) Net energy metering.

Summary: Under current law, generation eligible for net energy metering that had all local and state permits required to commence construction on or before December 31, 2002, and had completed construction on or before September 30, 2003, is entitled, regardless of any change in customer or ownership of the energy system, for the life of the installation, to the net energy metering terms in effect on the date the local and state permits were acquired. This bill would make a nonsubstantive change to that provision.

AB 1680 (Burke D) Energy efficiency and pollution reduction.

Summary: Current law requires the Public Utilities Commission and the State Energy Resources Conservation and Development Commission to take specified actions in furtherance of meeting the state's clean energy and pollution reduction objectives. This bill would make a nonsubstantive change to that law.

SB 19 (Hill D) Public Utilities Commission: duties and responsibilities: governance.

Summary: Would prohibit an executive of a public utility from serving as a commissioner within 2 years after leaving the employment of the utility. The bill would require the Public Utilities Commission to maintain an updated Conflict of Interest Code and Statement of Incompatible Activities. The bill would establish an ethics officer within the legal division of the commission. The ethics officer would be appointed by the commission and would be responsible for

instituting a program of enhanced ethics training for all commissioners and employees of the commission.

SB 57 (Stern D) Natural gas storage: moratorium.

Summary: Current law requires the State Oil and Gas Supervisor to continue the prohibition against Southern California Gas Company injecting any natural gas into the Aliso Canyon natural gas storage facility located in the County of Los Angeles until a comprehensive review of the safety of the gas storage wells at the facility is completed. This bill would additionally require the supervisor to continue that prohibition until a specified root cause analysis of the natural gas leak from the facility that started approximately October 23, 2015, has been completed and released in its entirety to the public.

SB 242 (Skinner D) Property Assessed Clean Energy program.

Summary: Would state that it is the intent of the Legislature, in order to ensure that PACE programs continue to effectively meet their public purposes, to enact legislation to enhance the requirements, guidelines, and procedures to which PACE programs administered by 3rd parties must conform.

SB 276 (Dodd D) Greenhouse Gas Reduction Fund: exemptions.

Summary: Current law requires the Department of Food and Agriculture, prior to awarding a grant using moneys from the Greenhouse Gas Reduction Fund, to review the applicant's analysis identifying the potential adverse impacts of a proposed project. Current law prohibits a project from receiving funding from the department unless the applicant has made certain demonstrations to the department. Current law requires the department to prioritize projects based on the criteria pollutant emission benefits achieved by the project. This bill would exempt from those requirements the Healthy Soils Program and the State Water Efficiency and Enhancement Program.

SB 356 (Skinner D) Energy storage systems.

Summary: Under current law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations. Current law requires the commission to open a proceeding to determine appropriate targets, if any, for each load-serving entity, as defined, to procure viable and cost-effective energy storage systems to be achieved by December 31, 2015, and December 31, 2020. This bill would make a nonsubstantive change in legislative findings and declarations adopted with the above-described energy storage system requirements.

SB 370 (Hertzberg D) Energy efficiency.

Summary: Current law requires the PUC, by September 1, 2016, to authorize electrical corporations and gas corporations to provide financial incentives, rebates, technical assistance, and support to their customers to increase the energy efficiency of existing buildings, as specified. This bill would require the

PUC to authorize electrical corporations and gas corporations to also provide those services to their customers to increase the energy efficiency of industrial facilities and agricultural equipment.

SB 584 (De León D) California Renewables Portfolio Standard Program.

Summary: The California Renewables Portfolio Standard Program additionally requires each local publicly owned electric utility, as defined, to procure a minimum quantity of electricity products from eligible renewable energy resources to achieve the procurement requirements established by the program. The Legislature has separately declared that its intent in implementing the program is to attain, among other targets for sale of eligible renewable resources, the target of 50% of total retail sales of electricity by December 31, 2030. This bill would revise those legislative findings and declarations to state that the goal of the program is to achieve that 50% target by December 31, 2025, and for all electricity sold at retail to be generated by eligible renewable energy resources by December 31, 2045.

SB 700 (Wiener D) Energy storage.

Summary: Would state the intent of the Legislature to enact legislation to foster growth of the energy storage market.

SB 745 (Stern D) California Global Warming Solutions Act of 2006.

Summary: The California Global Warming Solutions Act of 2006 requires the State Air Resources Board to consult with other states, the federal government, and other nations to identify the most effective strategies and methods to reduce greenhouse gases, manage greenhouse gas control programs, and facilitate the development of integrated and cost-effective regional, national, and international greenhouse gas reduction programs. This bill would make technical, nonsubstantive changes to these provisions.

Prop 218/PGC

AB 339 (Mathis R) Drinking water.

Summary: Current law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer the regulation of drinking water and public water systems, as defined, to protect public health, including the conduct of research, studies, and demonstration programs relating to the provision of a dependable, safe supply of drinking water. This bill would declare the intent of the Legislature to enact subsequent legislation that would appropriate moneys for the provision of safe, clean, and reliable drinking water.

SB 231 (Hertzberg D) Local government: fees and charges.

Summary: Articles XIII C and XIII D of the California Constitution generally require that assessments, fees, and charges be submitted to property owners for approval or rejection after the provision of written notice and the holding of a public hearing. Current law, the Proposition 218 Omnibus Implementation Act, prescribes specific procedures and parameters for local jurisdictions to comply with Articles XIII C and XIII D of the California Constitution and defines terms for these purposes. This bill would define the term “sewer” for these purposes. The bill would also make findings and declarations relating to the definition of the term “sewer” for these purposes.

SB 623 (Monning D) Safe and Affordable Drinking Water Fund.

Summary: Current law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. This bill would establish the Safe and Affordable Drinking Water Fund in the State Treasury and would provide that moneys in the fund are continuously appropriated to the board. By creating a new continuously appropriated fund, this bill would make an appropriation.

SB 778 (Hertzberg D) Safe drinking water.

Summary: Under current law, it is the policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes. This bill would declare the intent of the Legislature to enact subsequent legislation that would impose a charge, moneys from which would assist the state in providing safe drinking water to the residents of California.

SCA 4 (Hertzberg D) Water conservation.

Summary: The California Constitution requires that the water resources of the state be put to beneficial use to the fullest extent of which they are capable and that the waste or unreasonable use or unreasonable method of use of water be prevented. This measure would declare the intent of the Legislature to amend the California Constitution to provide a program that would ensure that affordable water is available to all Californians and to ensure that water conservation is given a permanent role in California’s future.

Public Agency

AB 92 (Bonta D) Public contracts: payment.

Summary: Current law until January 1, 2018, authorizes the retention proceeds withheld from any payment by an awarding entity, as described, from the

original contractor, by the original contractor from any subcontractor, and by a subcontractor from any subcontractor to exceed 5% on specific projects where the director of the applicable department, as specified, has made, or the governing body of the public entity or designated official of the public entity has approved, a finding prior to the bid that the project is substantially complex and requires a higher retention and the department or public entity includes both this finding and the actual retention amount in the bid documents. This bill would extend the operation of these provisions to January 1, 2023.

AB 168 (Eggman D) Employers: salary information.

Summary: Would prohibit an employer, including state and local government employers, from seeking salary history information about an applicant for employment, except as otherwise provided. The bill would require an employer, except state and local government employers, upon reasonable request, to provide the pay scale for a position to an applicant for employment. The bill would specify that a violation of its provisions would not be subject to the misdemeanor provision.

AB 219 (McCarty D) Property taxes: revenue allocations.

Summary: Current property tax law requires the county auditor to allocate and pay certain property tax revenues to designated local jurisdictions within the county in accordance with specified formulas, including allocating and paying additional revenues generated by a rate levied in excess of the 1% limitation prescribed by the California Constitution on ad valorem taxes on real property, as specified. Current property tax law requires these allocations and payments to be made on a timely basis. This bill would instead require those allocations and payments to be made on a timely basis no later than 31 calendar days after the close of the preceding monthly or 4-weekly accounting period, except as specified.

AB 252 (Ridley-Thomas D) Local government: taxation: prohibition: video streaming services.

Summary: Would, until January 1, 2023, prohibit the imposition by a city, city and county, or county, including a chartered city, city and county, or county, of a tax on video streaming services, including, but not limited to, any tax on the sale or use of video streaming services or utility user taxes. This bill contains other related provisions.

AB 271 (Caballero D) Property Assessed Clean Energy program.

Summary: Would, as an alternative to the Notice of Intent to Remove Delinquent Special Tax Installment from the Tax Roll requirement, would authorize the local agency or legislative body to provide notice of the removal of the delinquent voluntary contractual assessment or special tax, if it arises from a contract entered into on or after January 1, 2018, through the adoption of a resolution or ordinance requiring the county tax collector to remove all

delinquent voluntary contractual assessments and special taxes securing PACE bonds and arising from contracts entered into on or after January 1, 2018, from the county's secured tax roll during the annual fiscal yearend closing, whether or not a foreclosure action has been ordered.

AB 733 (Berman D) Enhanced infrastructure financing districts: projects: climate change.

Summary: Current law authorizes the legislative body of a city or a county to establish an enhanced infrastructure financing district to finance public capital facilities or other specified projects of communitywide significance, and makes related findings and declarations. This bill would additionally authorize the financing of projects that incentivize adapting to the impacts of climate change, including, but not limited to, extreme weather events, sea level rise, flooding, heat waves, wildfire, and drought, and would make conforming changes to the Legislature's findings and declarations.

AB 833 (Allen, Travis R) Public employees' retirement.

Summary: Current law, the California Public Employees' Pension Reform Act of 2013, establishes various limits on retirement benefits generally applicable to a public employee retirement system, except as specified, and among other things, prescribes limits on service after retirement without reinstatement into the applicable retirement system. This bill would make a nonsubstantive change to that provision.

AB 979 (Lackey R) Local government.

Summary: Current law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, provides the sole and exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts and makes related findings and declarations. This bill would make nonsubstantive changes to those findings and declarations.

AB 1023 (Brough R) Joint powers agreement.

Summary: The Joint Exercise of Powers Act authorizes 2 or more public agencies, as defined, if authorized by their governing bodies or the Legislature, by agreement to jointly exercise any power common to the contracting parties. The act authorizes the parties to provide that contributions from the treasuries, payments of public funds, and advances of public funds may be made, or personnel, equipment, or property may be used, for the purposes set out in the agreement. This bill would make nonsubstantive changes to that provision.

AB 1603 (Ridley-Thomas D) Meyers-Milias-Brown Act: local public agencies.

Summary: The MMBA rules and regulations may include exclusive recognition of employee organizations formally recognized pursuant to a vote of the employees of the agency or an appropriate unit thereof, subject to the right of an

employee to represent himself or herself. This bill instead would specify that those rules and regulations may provide for exclusive recognition of employee organizations formally recognized pursuant to a vote of the employees of the agency or an appropriate unit thereof, subject to the employee's right to represent himself or herself, and provided that an otherwise appropriate unit of a public agency and one or more joint employers do not require the agency or joint employer's consent.

SB 76 (Nielsen R) Excluded employees: arbitration.

Summary: Would enact the Excluded Employee Arbitration Act to permit an employee organization that represents an excluded employee who has filed certain grievances with the Department of Human Resources to request arbitration of the grievance if specified conditions are met. The bill would require the designation of a standing panel of arbitrators and, under specified circumstances, the provision of arbitrators from the California State Mediation and Conciliation Service within the Public Employment Relations Board. The bill would then require the arbitrator to be chosen in a specified manner and would prescribe the duties of that arbitrator.

SB 205 (Committee on Governance and Finance) Local Government Omnibus Act of 2017.

Summary: The California Constitution requires, among others, all public officers, to take a specified oath of office. Current statutory law requires any office to take that oath before he or she enters the duties of his or her office. This bill would require an officer to take that oath following any election or appointment and before entering the duties of his or her office. This bill contains other related provisions and other current laws.

SB 242 (Skinner D) Property Assessed Clean Energy program.

Summary: Would state that it is the intent of the Legislature, in order to ensure that PACE programs continue to effectively meet their public purposes, to enact legislation to enhance the requirements, guidelines, and procedures to which PACE programs administered by 3rd parties must conform.

SB 423 (Cannella R) Indemnity.

Summary: Current law provides, with respect to contracts and amendments to contracts entered into on or after January 1, 2011, with a public agency for design professional services, that all provisions, clauses, covenants, and agreements contained in, collateral to, or affecting these contracts or amendments to contracts that purport to require the design professional to defend the public agency under an indemnity agreement, including the duty and the cost to defend, are unenforceable, except for claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the design professional. Current law provides that all contracts and all solicitation documents between a public agency and a design professional are deemed to

incorporate these provisions by reference. This bill would make a nonsubstantive change to these provisions.

SCA 10 (Moorlach R) Public employee retirement benefits.

Summary: Would prohibit a government employer from providing public employees any retirement benefit increase until that increase is approved by a 2/3 vote of the electorate of the applicable jurisdiction and that vote is certified. The measure would define retirement benefit to mean any postemployment benefit and would define benefit increase as any change that increases the value of an employee's retirement benefit. The measure would define a government employer to include, among others, the state and any of its subdivisions, cities, counties, school districts, special districts, the Regents of the University of California, and the California State University.

Water

AB 166 (Salas D) Drinking water.

Summary: Current law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. This bill would make technical, nonsubstantive changes to these provisions.

AB 196 (Bigelow R) Greenhouse Gas Reduction Fund: water supply repairs.

Summary: Current law requires moneys from the Greenhouse Gas Reduction Fund to be allocated for the purpose of reducing greenhouse gas emissions in this state and satisfying other purposes. Current law authorizes specified investments, including water use and supply, if the investment furthers the regulatory purposes of the California Global Warming Solutions Act of 2006 and is consistent with law. This bill would authorize the use of the moneys in the fund for water supply repairs if the investment furthers the regulatory purposes of the act and is consistent with law.

AB 305 (Arambula D) School accountability report card: drinking water access points.

Summary: Would amend the Classroom Instructional Improvement and Accountability Act to also require the school accountability report card to include an assessment of the drinking water access points at each school site, as specified. The bill would require the State Department of Education to compile the assessments and transmit them to the State Water Resources Control Board. By imposing additional duties on local educational agency officials, the bill would impose a state-mandated local program. The bill would provide that the

Legislature finds and declares that the changes made to the act by its provisions further the purposes of the act.

AB 313 (Gray D) Water.

Summary: Current law establishes the State Water Resources Control Board in the California Environmental Protection Agency consisting of 5 members appointed by the Governor, including one member required to be an attorney admitted to practice law in this state who is qualified in the fields of water supply and water rights and one registered civil engineer under the laws of this state qualified in the fields of water supply and water rights. This bill would revise the qualifications for the membership to the board by eliminating those requirements for qualification in the field of water rights.

AB 321 (Mathis R) Groundwater sustainability plans.

Summary: The Sustainable Groundwater Management Act requires that all groundwater basins that are designated as basins subject to critical conditions of overdraft to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2020, and requires all other groundwater basins designated as high- or medium-priority basins to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2022, except as specified. This bill would require the groundwater sustainability agency to solicit the participation of farmers, ranchers, and other qualified professionals within the groundwater basin prior to and during the development and implementation of the plan.

AB 355 (Chu D) State Water Resources Control Board: public water systems: collaboration.

Summary: Would require the State Water Resources Control Board to collaborate with all public water systems to improve drinking water infrastructure and ensure adequate, safe, and clean drinking water supplies.

AB 366 (Oberholte R) Water supply: new residential development: building permits.

Summary: Current law prohibits a city, including a charter city, or a county from issuing a building permit for the construction of a new residential development where a source of the water supply is water transported by a water hauler, bottled water, a water-vending machine, or a retail water facility. Under current law, this prohibition on the issuance of a building permit does not apply to a residence that will be rebuilt because of a natural disaster. This bill would exempt from the prohibition on the issuance of a building permit a residence that will be rebuilt because of a fire and would provide that this is declaratory of existing law.

AB 367 (Oberholte R) Water supply: building permits.

Summary: Current law prohibits a city, including a charter city, or a county from issuing a building permit for the construction of a new residential development where a source of the water supply is water transported by a water hauler, bottled water, a water-vending machine, or a retail water facility. Under current law, this prohibition on the issuance of a building permit does not apply to a residence that will be rebuilt because of a natural disaster. This bill would exempt from the prohibition on the issuance of a building permit a residence that will be rebuilt because of a fire and would provide that this is declaratory of existing law.

AB 429 (Grayson D) State water policy: water rights: use and transferability.

Summary: Current law declares that the growing water needs of the state require the use of water in an efficient manner and that the efficient use of water requires certainty in the definition of property rights to the use of water and transferability of those rights. This bill would make nonsubstantive changes to those declarations.

AB 487 (Mathis R) Sustainable Groundwater Management Act.

Summary: Would state the intent of the Legislature to enact statutory changes relating to the Sustainable Groundwater Management Act.

AB 560 (Salas D) Water storage.

Summary: Under current law, various programs provide funds for water projects and facilities, including water storage. This bill would declare the intent of the Legislature to enact legislation relating to water storage.

AB 574 (Quirk D) Potable reuse.

Summary: Current law required the State Department of Public Health to develop and adopt uniform water recycling criteria for surface water augmentation, as defined, by December 31, 2016. Current law defined the terms “direct potable reuse,” “indirect potable reuse for groundwater recharge,” and “surface water augmentation” for these purposes. This bill would remove certain references to “direct potable reuse,” “indirect potable reuse for groundwater recharge,” and “surface water augmentation,” and would instead specify the four different types of potable reuse projects as “potable reuse through groundwater augmentation,” “potable reuse through reservoir augmentation,” “potable reuse through raw water augmentation,” and “potable reuse through treated water augmentation.”

AB 640 (Harper R) Recycled water: recycling criteria.

Summary: Current law, the Porter-Cologne Water Quality Control Act, requires the State Water Resources Control Board to establish uniform statewide recycling criteria for each varying type of use of recycled water if the use involves the protection of public health. The act defines recycling criteria to mean the levels of constituents of recycled water, and the means for assurance of

reliability under the design concept that will result in recycled water that is safe for the uses to be made. This bill would make technical, nonsubstantive changes to that definition.

AB 641 (Harper R) Water conservation and reclamation projects.

Summary: Current law, the Water Conservation Projects Act of 1985, declares that the intent of the act is to encourage local agencies and private enterprise to implement potential water conservation and reclamation projects by establishing a state program to finance or assist in financing projects that meet state criteria and will result in an additional supply of water for use in areas of need. This bill would make nonsubstantive changes in that provision.

AB 642 (Harper R) Desalinated water.

Summary: The Cobey-Porter Saline Water Conversion Law declares that the growing water needs of the state require the development of cost-effective and efficient water supply technologies and that desalination technology is now feasible to help provide significant new water supplies from seawater, brackish water, and reclaimed water. This bill would declare the intent of the Legislature to enact subsequent legislation relating to desalination.

AB 685 (Fong R) Water: dams and reservoirs.

Summary: Current law provides that all dams and reservoirs in the state are under the jurisdiction of the Department of Water Resources. Current law authorizes the department to require owners of dams and reservoirs to keep records of, and to report on, maintenance, operation, staffing, and engineering and geologic investigations. This bill would make nonsubstantive changes to that provision.

AB 869 (Rubio D) Water use: landscaping: recycled water.

Summary: Current law contains legislative findings declaring the use of potable domestic water for the irrigation of residential landscaping to be a waste or unreasonable use of water if recycled water is available. This bill would make a nonsubstantive change to this provision.

AB 892 (Waldron R) Department of Water Resources: supervision: dams and reservoirs.

Summary: Current law establishes the Department of Water Resources and prescribes the powers and responsibilities of the department with regard to the construction and operation of water storage facilities in the state. Current law requires the department, under the police power of the state, to supervise the construction, enlargement, alteration, repair, maintenance, operation, and removal of dams and reservoirs for the protection of life and property. This bill would make a nonsubstantive change in that law governing the duties of the department with respect to dams and reservoirs.

AB 968 (Rubio D) Urban water management planning.

Summary: Current law, the Urban Water Management Planning Act, requires every public and private urban water supplier that directly or indirectly provides water for municipal purposes to prepare and adopt an urban water management plan and to update its plan once every 5 years on or before December 31 in years ending in 5 and zero, except as specified. This bill would make nonsubstantive changes in these provisions.

AB 975 (Friedman D) Natural resources: wild and scenic rivers.

Summary: Current law establishes that it is the policy of the state that certain rivers that possess extraordinary scenic, recreational, fishery, or wildlife values shall be preserved in their free-flowing state, together with their immediate environments, for the benefit and enjoyment of the people of the state. This bill would revise that policy to specify that certain rivers that possess scenic, recreational, fishery, wildlife, historical, cultural, geological, ecological, hydrological, botanical, or other values shall be preserved in their free-flowing state, together with their immediate environments, for the benefit and enjoyment of the people of the state, and would revise the definition of "immediate environments," and define the term "extraordinary value" for purposes of that policy.

AB 1000 (Friedman D) Water conservation: certification.

Summary: Current law requires the State Energy Resources Conservation and Development Commission to establish minimum levels of operating efficiency to promote the use of energy and water efficient appliances. This bill would require the commission to certify innovative water conservation and water loss detection and control technologies that meet certain criteria.

AB 1009 (Gallagher R) Sustainable groundwater management: groundwater sustainability agencies.

Summary: The Sustainable Groundwater Management Act generally authorizes any local agency or combination of local agencies overlying a basin to decide to become a groundwater sustainability agency for that basin. The act requires a groundwater sustainability agency to establish and maintain a list of persons interested in receiving notices regarding plan preparation, meeting announcements, and availability of draft plans, maps, and other relevant documents. This bill would make a nonsubstantive change in these provisions.

AB 1041 (Levine D) Urban water suppliers: urban water shortage contingency analysis.

Summary: The Urban Water Management Planning Act requires every public and private urban water supplier that directly or indirectly provides water for municipal purposes to prepare and adopt an urban water management plan and to update its plan once every 5 years on or before December 31 in years ending in 5 and zero, except as specified. This bill would instead require an estimate of the

minimum water supply available during each of the following 5 years to be based on the driest 5-year historic sequence for the agency's water supply.

AB 1047 (Gallagher R) Flood control.

Summary: Would state the intent of the Legislature to enact statutory changes relating to flood control.

AB 1235 (Daly D) Santa Ana River Conservancy Program.

Summary: Current law establishes the State Coastal Conservancy with prescribed powers and responsibilities for implementing and administering various programs intended to preserve, protect, and restore the state's coastal areas. Current law also establishes the Santa Ana River Conservancy Program, to be administered by the conservancy, for purposes related to the implementation of projects to restore, preserve, and enhance specified lands in the Santa Ana River region, as defined. This bill would declare the intent of the Legislature to enact subsequent legislation that would identify new funding sources to support the program.

AB 1270 (Gallagher R) Stormwater resource planning.

Summary: Current law, the Stormwater Resource Planning Act, authorizes one or more public agencies to develop a stormwater resource plan that meets certain standards. This bill would make nonsubstantive changes in these provisions.

AB 1271 (Gallagher R) Urban water management plans.

Summary: Current law requires an urban water supplier, as defined, to prepare and adopt an urban water management plan for submission to the Department of Water Resources, and requires that the plan provide an urban water shortage contingency analysis, as specified. This bill would make nonsubstantive changes in those provisions.

AB 1273 (Gallagher R) Urban water management plans.

Summary: Current law, the Urban Water Management Planning Act, requires every public and private urban water supplier that directly or indirectly provides water for municipal purposes to prepare and adopt an urban water management plan. This bill would make nonsubstantive changes to that act.

AB 1323 (Weber D) Sustainable water use and demand reduction: stakeholder workgroup.

Summary: Would require the Department of Water Resources to convene a stakeholder workgroup with prescribed representatives invited to participate, including, among others, representatives of the department and the State Water Resources Control Board, no later than February 1, 2018. The bill would require the stakeholder workgroup to develop, evaluate, and recommend proposals for establishing new water use targets for urban water suppliers and to examine and report to the Governor and the Legislature by December 31, 2018, as specified.

AB 1343 (Chen R) Stormwater resources: use of captured water.

Summary: Current law, the Stormwater Resource Planning Act, authorizes one or more public agencies to develop a stormwater resource plan that meets specified standards to address the capture of stormwater, as defined, and dry weather runoff, as defined. Current law authorizes a public entity that captures stormwater from urban areas, in accordance with a stormwater resource plan, before the water reaches a natural channel to use the captured water to the extent that the water augments current water supplies. This bill would make a nonsubstantive change in these provisions.

AB 1481 (Nazarian D) Water: public use.

Summary: Current law declares that all water within the state is the property of the people of the state, but the right to the use of the water may be acquired by appropriation in the manner provided by law. This bill would make nonsubstantive changes to that provision.

AB 1490 (Gray D) State Water Resources Control Board: school drinking water.

Summary: Would require the State Water Resources Control Board, before adopting or approving a water quality control plan, water quality objectives, or a program of implementation, to evaluate impacts on primary drinking water standards and secondary drinking water standards for, and impacts on groundwater basins that provide drinking water to, impacted local education agencies located in whole or in part in a disadvantaged community. The bill, if the state board finds any defined significant effect in this evaluation, would prohibit the state board from adopting a statement of overriding consideration.

AB 1602 (O'Donnell D) Water supply improvements.

Summary: Under current law, various state and local agencies engage in water resource planning. This bill would state the intent of the Legislature to enact legislation relating to water supply improvements.

AB 1654 (Cooper D) Water conservation.

Summary: Current law requires the state to achieve a 20% reduction in urban per capita water use in California by December 31, 2020. Current law requires agricultural water suppliers to prepare and adopt agricultural water management plans with specified components on or before December 31, 2012, and to update those plans on or before December 31, 2015, and on or before December 31 every 5 years thereafter. Current law sets forth various findings and declarations related to water conservation. This bill would make a nonsubstantive change in those findings and declarations.

AB 1667 (Friedman D) Urban water suppliers: landscape water meters.

Summary: Would require an urban water supplier to install dedicated landscape water meters on commercial, institutional, industrial, and multifamily service

connections that are located in its service area on or before January 1, 2020, if the property has greater than 1,000 square feet of irrigated landscape, and on or before January 1, 2025, if the property has greater than 500, but less than 1,001, square feet of irrigated landscape.

AB 1668 (Friedman D) Water conservation: guidelines.

Summary: Executive Order B-37-16, among other things, requires the Department of Water Resources to work with the State Water Resources Control Board to develop new water use targets as a part of a permanent framework for urban water agencies. This bill would require the state board, on or before July 1, 2018, in consultation with the department and other appropriate state agencies, to adopt water conservation guidelines that are consistent with a specified report issued in response to Executive Order B-37-16.

AB 1669 (Friedman D) Urban water use efficiency.

Summary: Would, on or before January 1, 2019, would require the State Water Resources Control Board, in consultation with the Department of Water Resources and other appropriate state agencies, to establish and adopt a process to increase urban water use efficiency through incremental urban water use efficiency targets and in that regard to establish an urban water use efficiency target to be achieved by the state by January 1, 2025. The bill would require the state board to update its urban water use efficiency target every 5 years.

AB 1673 (Aguiar-Curry D) The California Water Plan.

Summary: Current law requires the Department of Water Resources to update every 5 years the plan for the orderly and coordinated control, protection, conservation, development, and use of the water resources of the state, which is known as The California Water Plan. This bill would make technical, nonsubstantive changes to that requirement.

SB 193 (Cannella R) Groundwater sustainability agencies.

Summary: The Sustainable Groundwater Management Act requires all groundwater basins designated as high- or medium-priority basins by the Department of Water Resources that are designated as basins subject to critical conditions of overdraft to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2020, and requires all other groundwater basins designated as high- or medium-priority basins to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2022, except as specified. This bill would make a nonsubstantive change to those provisions. The Sustainable Groundwater Management Act, requires all groundwater basins designated as high- or medium-priority basins by the Department of Water Resources that are designated as basins subject to critical conditions of overdraft to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2020, and requires all other groundwater

basins designated as high- or medium-priority basins to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2022, except as specified. The act authorizes any local agency or combination of local agencies overlying a groundwater basin to decide to become a groundwater sustainability agency for that basin, as prescribed. This bill would make a nonsubstantive change to those provisions.

SB 417 (Berryhill R) State Water Resources Control Board.

Summary: Current law declares that to provide for the orderly and efficient administration of the water resources in the state, it is necessary to establish the State Water Resources Control Board to exercise the adjudicatory and regulatory functions of the state in the field of water resources. Existing law declares the intent of the Legislature to combine the water rights, water quality, and drinking water functions of the state government to provide for coordinated consideration of water rights, water quality, and safe and reliable drinking water. This bill would make nonsubstantive changes to these declarations.

SB 564 (McGuire D) Joint powers authorities: Water Bill Savings Act.

Summary: Would enact the Water Bill Savings Act, which would authorize a joint powers authority to provide funding for a customer of a local agency or its publicly owned utility to acquire, install, or repair a water efficiency improvement on the customer's property served by the local agency or its publicly owned utility. The bill would require the customer to repay the authority through an efficiency charge on the customer's water bill to be established and collected by the local agency or its publicly owned utility on behalf of the authority pursuant to a servicing agreement.

SB 633 (Portantino D) Stormwater.

Summary: Current law, the Stormwater Resource Planning Act, authorizes one or more public agencies to develop a stormwater resource plan that meets certain standards. This bill would state the intent of the Legislature to enact legislation relating to stormwater runoff in California.

SB 669 (Moorlach R) Sustainable groundwater management: adjudicated groundwater basins.

Summary: The Sustainable Groundwater Management Act, requires all groundwater basins designated as high- or medium-priority basins by the Department of Water Resources that are designated as basins subject to critical overdraft to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2020, and requires all other basins designated as high- or medium-priority basins to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2022, except as specified. Under current law, the provisions of the act do not apply to an adjudicated groundwater basin, as specified, or to a local agency that conforms to the requirements of an adjudication of water rights

for an adjudicated groundwater basin. This bill would make a nonsubstantive change in these provisions.

SB 750 (Hueso D) Water lease: water district, water company, or mutual water company.

Summary: Current law authorizes water districts, water companies, and mutual water companies to enter into water lease agreements, as prescribed. This bill would make nonsubstantive changes in these provisions.

SB 780 (Wiener D) Water Conservation in Landscaping Act.

Summary: Would require state and local agencies to adhere to specified principles of the watershed approach in landscaping. The bill would require the Department of Water Resources to develop watershed approach-focused landscaping policies and incentives, including an enhanced model water efficient landscape ordinance, as provided. The bill would also require the Department of Water Resources to promote watershed approach-focused education and training for homeowners, contractors, certified community conservation corps, and other landscape professionals who plan, develop, or implement projects complying with the enhanced model ordinance.

Bond

AB 18 (Garcia, Eduardo D) California Clean Water, Climate, Coastal Protection, and Outdoor Access For All Act of 2018.

Summary: Would enact the California Clean Water, Climate, Coastal Protection, and Outdoor Access For All Act of 2018, which, if approved by the voters, would authorize the issuance of bonds in an amount of \$3,105,000,000 pursuant to the State General Obligation Bond Law to finance a clean water, climate, coastal protection, and outdoor access for all program. This bill contains other related provisions.

AB 1442 (Allen, Travis R) Bonds: transportation: water projects.

Summary: Would state the intent of the Legislature to enact legislation to redirect the high-speed rail bond act funds to water projects.

SB 5 (De León D) California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018.

Summary: Would enact the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018, which, if approved by the voters, would authorize the issuance of bonds in an amount of \$3,500,000,000 pursuant to the State General Obligation Bond Law to finance a drought, water,

parks, climate, coastal protection, and outdoor access for all program. This bill contains other related provisions.

Water Quality

AB 272 (Gipson D) Water quality.

Summary: The Porter-Cologne Water Quality Control Act establishes a statewide program for the control of the quality of all the waters in the state and makes certain legislative findings and declarations. This bill would make technical, nonsubstantive changes to the legislative findings and declarations.

AB 474 (Garcia, Eduardo D) Hazardous waste: spent brine solutions.

Summary: Current law exempts from certain requirements of the Hazardous Waste Control Law wastes from the extraction, beneficiation, or processing of ores and minerals that are not subject to regulation under the federal Resource Conservation and Recovery Act of 1976, including spent brine solutions used to produce geothermal energy that meet specified requirements. This bill would exempt spent brine solutions that are byproducts of the treatment of groundwater to meet California drinking water standards from those same requirements if certain conditions are met, including that the spent brine solutions are transferred for dewatering via a closed piping system to lined surface impoundments regulated by the California regional water quality control boards.

AB 567 (Quirk-Silva D) School facilities: drinking water fountains.

Summary: Would, on and after July 1, 2018, require all new construction projects submitted to the Division of the State Architect pursuant to the Greene Act to include drinking water fountains equipped with both a water fountain and a spigot for filling water bottles.

AB 885 (Rubio D) Pupil health: drinking water: lead.

Summary: Would require a public or private school to ensure that drinking water is provided at the school that meets the United States Environmental Protection Agency drinking water standards for lead. The bill would require a public or private school, on or before February 1, 2018, to request water quality testing, including lead testing, from the State Water Resources Control Board, and would require the state board to perform or provide for the performance of the requested testing on or before November 1, 2019.

AB 1075 (Reyes D) Water quality information.

Summary: Current law requires the State Water Resources Control Board and the 9 California regional water quality control boards to prescribe waste discharge requirements in accordance with the federal national pollutant

discharge elimination system permit program established by the federal Clean Water Act and the Porter-Cologne Water Quality Control Act. Current law requires the state board to implement, with the assistance of the regional boards, a public information program on matters involving water quality, as prescribed. This bill would make nonsubstantive changes to these water quality information program provisions.

AB 1211 (Dahle R) State policy for water quality control.

Summary: Under current law, the Porter-Cologne Water Quality Control Act, the state policy for water quality control is required to consist of water quality principles and guidelines for long-range resource planning, water quality objectives, and other principles and guidelines deemed essential by the State Water Resources Control Board for water quality control. This bill would make technical, nonsubstantive changes to that provision.

AB 1369 (Gray D) Water quality and storage.

Summary: Current law requires all moneys, except for fines and penalties, collected by the State Air Resources Board from the auction or sale of allowances as part of a market-based compliance mechanism relative to reduction of greenhouse gas emissions to be deposited in the Greenhouse Gas Reduction Fund. This bill would require the Department of Water Resources to increase statewide water storage capacity by 25% by January 1, 2025, and 50% by January 1, 2050, as specified.

SB 427 (Leyva D) Public water systems: lead user service lines.

Summary: Would, by July 1, 2020, require a public water system to provide the timeline for replacement of known lead user service lines in use in its distribution system to the State Water Resources Control Board. The bill, by July 1, 2020, would require a public water system that has identified areas that may have lead user service lines in use in its distribution system to (a) provide to the state board its determination as to whether there are any lead user service lines in use in those areas of its distribution system and provide a timeline to the state board for replacement of those lead use service lines, and (b) provide findings as to whether there are any areas for which it cannot determine the content of the user service lines and a timeline for the replacement of those user service lines.

SB 740 (Wiener D) Onsite treated water.

Summary: Would require the State Water Resources Control Board, in consultation with other state agencies, to adopt regulations, as specified, for a comprehensive risk-based framework to assist local jurisdictions in developing a program for the oversight and management of onsite treatment of water for nonpotable use. The bill would require the regulations to be flexible to adapt to new water sources, end uses, and advances in approaches and methodologies to estimate the risk of onsite water treatment to public health.

Other

AB 552 (Irwin D) Natural resources: protection.

Summary: Current law declares that resource conservation is of fundamental importance to the prosperity and welfare of the people of this state, and provides for the formation and powers of resource conservation districts. This bill would declare the intent of the Legislature to enact legislation that would protect the state's land and water resources.

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Comprehensive Government Relations

MEMORANDUM

To: Joe Grindstaff and Kathy Besser, IEUA

From: Letitia White and Jean Denton

Date: February 27, 2017

Re: February Monthly Legislative Update

Obamacare Repeal Delays and Appropriations Derailment

Congress continues to grapple with how to address the Affordable Care Act. Part of the issue lies in discrepancies in the timespan in which the Affordable Care Act should be repealed and replaced. Republicans initially proposed repealing the law before introducing a replacement. But then President Trump called for a simultaneous repealing of the current law with a replacement plan in order to avoid uncertainty in insurance markets. Congressional Republicans have acknowledged that coming up with a replacement could take months, but President Trump has claimed that that the Administrations replacement draft is in the “final stages” and will be submitted in early to mid-March.

The postponement to repeal and replace the Affordable Care Act creates a trickle-down effect to the Republicans’ already ambitious legislative action plan. By keeping the health care law repeal measure on a fast track, Congress must delay passing a budget resolution for the upcoming fiscal year that begins October 1. Passing a new budget resolution before a repeal bill is done would effectively nullify the fast-track provision that prevents Democrats from filibustering in the Senate to block the repeal legislation.

The longer it takes to pass a repeal measure, the less time for Congress to advance a budget resolution needed to guide spending bills for the fiscal 2018 cycle. If a budget resolution is not approved by a statutory deadline of April 15, no spending bills can come to the House floor for a vote until May 15. Congress could choose to forgo a fiscal year 2018 budget resolution, but that would eliminate the possibility of using reconciliation to pass tax reform legislation either later this year or in early 2018, which is a priority of both Congressional Republican and President Trump.

Congress is also still grappling with how to complete the fiscal year 2017 appropriations cycle, with most of the government operating under a continuing resolution until April 28. Over the last decade, Congress has increasingly relied on deadlines to finish the appropriations process, or have passed continuing resolutions to provide themselves with additional time to complete the legislation. As such, Congress will likely wait until mid-to-late April to complete the current fiscal year appropriations process, further complicating moving appropriations bills for fiscal year 2018.

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Infrastructure Package in the Works

President Trump will discuss details about how he plans to upgrade the nation's infrastructure during his address to House and Senate lawmakers on February 28, according to White House spokesman Sean Spicer. "The infrastructure projects and priorities that the president has talked about, there's [air traffic control] and our airports or the roads and bridges will be something that he's going to work with [Department of Transportation] but also talk about in his budget and you'll see more in his joint address to Congress," Spicer said. Trump is expected to release a framework of his federal budget proposal in mid-March.

Recent reports that the Republican leadership might delay consideration of a major infrastructure investment package until next year are raising alarm bells in Washington but don't seem to have killed efforts to at least keep the conversation going. Congressional hearings continue on the topic of an infrastructure package. During February both the House Transportation and Infrastructure Committee and the Senate Environment and Public Works Committee held hearings on modernizing the nation's infrastructure. The Senate Commerce, Science and Transportation Committee is scheduled to hold a hearing on infrastructure access issues on March 1. We anticipate that both the House and Senate will continue to get feedback from stakeholders throughout the country as they continue to consider crafting an infrastructure package.

Calendar Set for Trump's Supreme Court Nominee

The Senate Judiciary Committee announced that the confirmation hearing for nominee Neil Gorsuch to the Supreme Court will begin on March 20. Gorsuch, the youngest Supreme Court nominee in 25 years and a Colorado federal appeals court judge for the 10th Circuit, is believed to share a similar legal philosophy to Justice Antonin Scalia, who passed away last year.

Gorsuch's nomination process began on January 31, when President Donald Trump made the announcement during an evening ceremony at the White House. During his remarks, Trump called Gorsuch "[an] outstanding and brilliant mind, tremendous discipline and has earned bipartisan support."

While Judge Gorsuch has received support on both sides of the aisle from Congress—notably during his 2006 confirmation to his court of appeals position—with the fate Supreme Court's ideological bend in the balance and after Republicans refused to hold hearings or votes on Judge Merrick Garland's nomination to the Supreme Court before the end of President Barack Obama's term, Democrats have promised to hinder the confirmation process. Senate Minority Leader Chuck Schumer (NY) argued in an op-ed for the *New York Times* that he was concerned with Judge Gorsuch's independence from President Trump.

In order to confirm Judge Gorsuch and to avoid a filibuster, Republicans in the Senate will have to muster 60 total votes, which means that all 52 Republicans and an additional 8 Democrats must vote affirmatively.

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If Democrats decide to pursue a filibuster to block Judge Gorsuch's confirmation, Republicans may decide to use the "nuclear option" that would change Senate's rules and allow Gorsuch to be confirmed on a simple majority vote.

Trump to Release "Skinny Budget" in March

White House spokesman Sean Spicer told reporters this month that Congress should expect a first draft of President Trump's budget on March 14. This "skinny budget" will be used as the skeleton by Congress during the budget reconciliation process.

Newly confirmed director of the Office of Management and Budget Mick Mulvaney will have a hand in the shaping of both the skinny and the full-fledged budget proposal from the White House. Confirmed on a 51-49 vote, the former South Carolina Representative was known for challenging raising the debt ceiling and advocated for Congress to identify offsets for new federal funding.

As Mulvaney begins work at the OMB, he will have to find a way to reconcile his budget hawk preferences with President Trump's campaign assertions. For instance, Mulvaney argued during his confirmation hearing for raising the retirement age for Social Security and altering Medicare benefits, though Trump has articulated his unwillingness to cut these programs.

Trump Reverses Transgender Bathroom Executive Orders

President Donald Trump rescinded the Obama administration's guidance on interpretation of Title IX, which gave transgender students access to the bathroom that is aligned their gender identity.

The Obama Administration's Departments of Justice and Education issued a letter to school districts last May, stating that, "to be in compliance with the law, every K-12 school district, state education association and high school athletic association in the country 'must not treat a transgender student differently from the way it treats other students of the same gender identity,'" which includes transgender access to bathrooms. The letter also threatened non-compliant schools with withholding funding.

Since August, a federal judge has placed President Obama's guidance on hold, arguing that the directions contradicted existing laws and regulations. Until the Supreme Court makes a decision on the case, states and districts have the ability to set their own policies.

Cabinet Confirmations and Senior Administration Picks

President Trump's cabinet is taking shape with the confirmation of several Cabinet Secretaries. We have included a list below of the nominees along with the status of their confirmation and/or the next steps at the committee level. Additionally, we have included a list below that includes senior White House staff not requiring Senate confirmation.

Cabinet	Trump's Pick	Next Committee/Floor Action
Secretary of State	Rex Tillerson	Confirmed
Treasury Secretary	Steve Mnuchin	Confirmed
Defense Secretary	James Mattis	Confirmed
Attorney General	Jeff Sessions	Confirmed

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Interior Secretary	Ryan Zinke	Floor Action possible in March
Agriculture Secretary	Sonny Perdue	Committee hearing unscheduled
Commerce Secretary	Wilbur Ross	Scheduled for 2/27
Labor Secretary	Alexander Acosta	Committee hearing unscheduled
HHS Secretary	Tom Price	Confirmed
HUD Secretary	Ben Carson	Floor Action unscheduled
Transportation Secretary	Elaine Chao	Confirmed
Energy Secretary	Rick Perry	Floor Action possible in March
Education Secretary	Betsy DeVos	Confirmed
Veterans Affairs Secretary	David Shulkin	Confirmed
Homeland Security Secretary	John F. Kelly	Confirmed
High-level Offices	Trump's Pick	Hearing Date
White House Chief of Staff	Reince Priebus	n/a
Director of Office of Management and Budget	Mick Mulvaney	Confirmed
Director of the CIA	Mike Pompeo	Confirmed
Admin. of the Small Business Admin	Linda McMahon	Confirmed
Admin. of the EPA	Scott Pruitt	Confirmed
Admin. Centers for Medicare & Medicaid	Seema Verma	Next steps unscheduled
Deputy Commerce Secretary	Todd Ricketts	Next steps unscheduled
Secretary of the Army	n/a	Next steps unscheduled
Trade Representative	Robert Lighthizer	Next steps unscheduled
Chair Securities and Exchange Commission	Jay Clayton	Next steps unscheduled

Outlook for March

Monday begins the longest stretch of work on the 2017 congressional calendar: six straight weeks before the next break. Confirmations will dominate the Senate floor as the work period begins. Votes have been teed up beginning Monday on President Donald Trump's nominees to head the Commerce, Interior, Housing and Urban Development and Energy departments. The Senate Judiciary Committee plans at least three days of confirmation hearings for Supreme Court nominee Neil Gorsuch, beginning March 20. Majority Leader Mitch McConnell has indicated he would like to schedule a vote on that nomination before the Senate leaves on its spring break on April 7.

Also the Senate Intelligence Committee has scheduled a Tuesday hearing on the nomination of former Indiana Senator Dan Coats to be Director of National Intelligence.

The big event of the week ahead will be Trump's first address to a joint session of Congress. Administration officials have been vague on whether the president will provide details on how he wants to proceed on his major priorities: increased border and immigration enforcement, including a wall across the border with Mexico; expanding the U.S. military; a massive project to rebuild the country's infrastructure; and revamping the tax code. All that will require Congress to turn goals into legislation and figure out how to pay for them. House Democrats, dozens of whom skipped the inauguration, haven't said whether they intend to display their unhappiness with the new president when he's on the rostrum Tuesday night.

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Creeping up fast are some budget and appropriations deadlines as Congress simultaneously finishes work on almost-halfway-over fiscal 2017 and starts writing the bills for fiscal 2018. Appropriators have been drafting part-year spending bills, and might have the one covering the Pentagon ready to circulate as soon as March 1.

The administration is also working on a supplemental spending request for current-year military operations. That could land on the Hill in the early weeks of March. As is typical for a new administration, Trump is late submitting a budget request to Congress. Now that OMB Director Mick Mulvaney is on the job, a skinny version of the White House proposal for fiscal 2018 is expected as early as March 13.

Agricultural Resources

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February 24, 2017

Legislative Report

TO: Joe Grindstaff
General Manager, Inland Empire Utility Agency

FR: David M. Weiman
Agricultural Resources
LEGISLATIVE REPRESENTATIVE, IEUA

SU: Legislative Report, February 2017

State of Affairs

- * Confirmations for Cabinet positions are proceeding – albeit slowly.
- * Nominations from Administration – even slower.
- * Committees – organizing – getting underway.
- * Congressional Legislative Agenda – emerging, but major initiatives face hurdles.
- * Executive Orders – Issued almost daily. Regulatory review underway.
- * In California, the State has gone from extreme and exceptional drought to massive flooding – almost in a matter of weeks.

Interior Department, the Nomination Process and Impact on the Senate

- * As January came to a close, Secretary-Designate and House Rep. Ryan Zinke's (R-MT) nomination was expected on the Senate Floor. Didn't happen.
- * Zinke's nomination hearing went well. He was well received on a bi-partisan basis. Some of the intense conflict, experienced with other Nominations did not materialize for Rep. Zinke.
- * As February came to a close, the nomination was still pending. Some of the other appointments (National Security, Education, Labor and EPA for instance), have become very controversial and consumed an extraordinary amount of floor time.

- * Late reports this month indicate that the nomination will reach the Senate floor on the 28th of February or maybe March 1 (barring the unforeseen). The nomination should be approved easily, likely with a strong bi-partisan vote.
- * The Administration has not submitted any additional nominations to the Senate. No nominee yet for Deputy Secretary, Solicitor or Assistant Secretary (five of them). None of the Agency leaders (BLM, Parks, Fish and Wildlife, Indian Affairs, DOI Budget, etc.) have been named either. Lots of rumors, but no formal nominations. This is true for other Departments and Agencies.
- * The absence of a team in place has implications for Interior's ability to develop policy, prepare budgets, and/or to address issues during 2017.
- * Additionally, these delays will all but certainly lead to a logjam of nominations at the Senate Energy Committee (which must vet and formally "advise and consent" each presidential nomination). That crush of nominations (remember, the Committee also will manage DOE nominations and nominations from certain independent agencies like FERC) will impact the Committee's ability to conduct legislative business.
- * Making matters even more complicated, Senator Murkowski also Chairs, on Appropriations, the Interior Appropriations Subcommittee. The 2017 funding bills (ready-to-go) and the 2018 cycle are pending – and both will consume time and attention.

Trump Administration – Foreign Policy, Domestic Policy and Executive Orders

- * Every Administration issues a series of Executive Orders at the start of their tenure. This Administration, however, has been different. The sheer volume of Orders – some highly controversial – are different than previous presidencies.
- * Additionally, international and foreign policy matters have dominated the first month of the Administration.
- * Trump has set a new standard with almost a blizzard of Orders being issued – at one point, almost daily.
- * The Administration is openly critical of "climate change" and is actively addressing these issues at Commerce, EPA, USDA, State and at other agencies as well with Executive Orders. It is anticipated, with Administrator Pruitt's confirmation as EPA Administrator, that there will be a new round of Executive Orders in March and April.
- * Hacking by foreign entities – Russian prominently, but the Chinese, Iranians and many others, has become an almost "overnight issue" to be addressed by Administration reviews and congressional investigations.

Tax Reform – Yes, No, and Maybe – If So, When?

- * As soon as the new Congress was sworn in, the House leadership announced that tax reform would be among the first issues addressed, and the House expected to pass it's bill by March.
- * A scramble ensued as Washington braced for a major tax reform bill moving in the House almost immediately beginning in January.
- * Congressional rules and practical politics influence the structure of a tax bill. Under certain House rules, the a tax bill has to be "revenue neutral." To achieve lowered rates – the centerpiece of the House Republican tax initiative, any changes have to meet the test of revenue neutrality.
- * As a practical matter, to lower rates a score of tax provisions must be eliminated. The mortgage deduction is expected to be restricted. Certain overseas tax benefits will be eliminated. The Historic Tax Credit will be repealed. The House objective – reduce the corporate tax rate down to 20% – all but mandates that the deductibility of municipal bonds must be amended (restricted) or repealed.
- * The House desire to move a tax bill quickly got side-tracked and embroiled in controversy over tax policy as well as the health care repeal AND the infrastructure initiative.
- * Regardless of the "why," the tax bill is now on a slower – and more uncertain – path.
- * The Speaker and others then said the House would have a bill by the August recess (end of July). Treasury Secretary Mnuchin echoed the same.
- * No sooner was this schedule announced than Members and staff began talking about tax reform being pushed into 2018. And almost immediately thereafter, the President spoke at CPAC at the end of February. He called on Congress to act on tax reform, calling for lower rates. Tax reform quickly became more important.
- * The only thing certain right now: the House Ways and Means (Tax) Committee schedule keeps shifting.
- * To make matters even more confusing, some on Capitol Hill are now recommending that only partial reform be considered at this time with comprehensive reform pushed further into the future.
- * The Committee has yet to introduce – or even circulate – a bill (or draft). The Committee process and timing remain up in the air. Anc, an actual Committee bill has yet to be introduced or otherwise made public.

- * The Municipal Bond Coalition for America released a letter in February signed by 375 organizations from almost every state to House and Senate leadership (and committee leadership) urging that the muni bonds provisions be retained.. MWD, ACWA and other water organizations signed the letter.

Infrastructure

- * Last month, I reported that “*Trump declared that a key domestic initiative would be a \$1 TRILLION infrastructure proposal.*” Increasing jobs – and putting people to work here in America is one of Trump’s highest priorities.
- * And I also reported, “*in broad concept, this initiative has been received well on a bi-partisan. basis.*” That remains true today.
- * In short order, Trump released a list of proposed projects. The Governors did the same. Senate Dems joined in a with list of their own. Others have as well.
- * Trump has added two factors. First, he proposes to give priority to projects that are designed as “public-private” partnerships. Second, his priority for financing will be tax credits (which may conflict with pending tax reform proposals).
- * Left unanswered, how will municipalities and public entities (like IEUA) will be able to participate. That’s remains unclear.
- * The “Freedom Caucus” – a key element of the House Conference – has signaled opposition to a large spending (infrastructure) package.
- * So, there appears to be general consensus that the broad objectives – putting people to work and investing in American infrastructure is a great idea, there is little consensus on how to achieve it.
- * The time line on tax reform is slipping. Now, the time line on infrastructure is slipping as well with some now predicting that this is a 2018 issue at the earliest.

Drought – Water Conditions

- * In January, the NOAA-USDA-University of Nebraska Drought Monitor map of California began to change. By the end of February, only “trace” signs of drought are evident anywhere in California. By any yardstick, a stunning turn-around.
- * February saw waves of storms hit, one after another.
- * At Mammoth, according to very recent reports, there are 350 inches of snow. When I reported that to IEUA last week, I was immediately told that, in some places that total topped 500 inches. California is closing in on records for precipitation and snowfall.

- * While California is receiving precipitation (DWR snow and reservoir surveys are positive), there is a growing chorus of political and water leaders who are warning against complacency. Yes, California is experiencing a strong “water” season. Yes, the current drought is blunted. Yes, BuRec and DWR water allocations are, as a result, increasing. But the effects of drought linger, and what will happen in the 2017-18 water season is a complete unknown.
- * The effects of the multi-year drought remain in place. A massive die-off of trees in the Sierra Nevada Mountains is underway which could cause water management problems for years into the future. And significantly, groundwater basins, particularly in the San Joaquin Valley, remain overdrawn and in need of replenishment.
- * The sensational (and unexpected) problems at Oroville compound problems and further reduce or restrict operational options.
- * And, unless there is a strong close to the water season in the Rocky Mountains, the Colorado River remains in a severe drought.
- * As stated in last month’s report, “*a single wet Winter does not eliminate the drought...*” (numerous commentators and experts are making this point throughout the state).

March and April.

- * Funding for the remainder of 2017 and 2018 must be addressed. The debt ceiling will have to be addressed.
- * House and Senate Committees are only now announcing hearings and beginning to report “simple” bills. The Administration need to put people in place. The Congress needs complete is organizational work and then turn to legislation AND oversight.
- * Trump has signaled that Defense spending will increase. It is expected that the budgets (funding priorities) domestic agencies will be slashed. No details yet. Congress is now waiting for the Trump Administration to submit its budget priorities and are braced for significant cuts in numerous programs.

#

INFORMATION

ITEM

2C



CALIFORNIA STRATEGIES, LLC

Date: February 24, 2017
To: Inland Empire Utilities Agency
From: John Withers, Jim Brulte
Re: February Activity Report

California Strategies is honored to provide consulting services to the Inland Empire Utilities Agency. In addition to our regular monthly meeting with the Senior Staff of the Agency, we continue to be available to members of the Senior Staff and Board Members throughout the year to deliver advice, answer questions or provide services consistent with the mission of IEUA.

Here is our monthly activity report:

- Participated in our monthly meeting with the Senior Staff of the Agency
- Discussed participation and support of Sacramento legislative reception
- Briefed the Senior Staff on anticipated unannounced upcoming staff changes at local government entities in IEUA service territory
- Discussed the recent Board elections and the issue of automatic rotation of Board officers
- Discussed IEUA 2017 Goals and Objectives and ways that California Strategies can assist the Agency with the accomplishment of those goals.
- Participated in a continuation of previous discussion related to State Finances and Processes
- Discussed the Regional Contract and the phasing of contacts with local stakeholders
- Discussed and made recommendations related to the creation of a Water Bank JPA with the City of Ontario, Monte Vista Water District and Cucamonga Valley Water District
- Consulted and advised Board member Hall on her new role as CASA Director
- And at least one Board member contacted both John Withers and Jim Brulte to solicit advice.

INFORMATION
ITEM
2D

Federal Legislation of Significance

Bill Number	Sponsor	Title and/or Summary	Summary/Status																
H.R. 2028	Sen. Mitch McConnell (R-KY)	FY17 Continuing Resolution Package	<p>A continuing resolution funding the federal government was passed by the House and Senate in early December and was signed into law on December 10, 2016. The CR provides funding for all federal agencies except for Military Construction and Veterans Affairs through April 28, 2017.</p> <p>While both House and Senate Appropriations Committee staff were redirected in mid-February to reengage regarding the FY17 bills, progress has been hampered by the Presidents Day recess week. Once conference agreements are completed the House will introduce new bills for the 115th Congress and bring the legislation to the floor for consideration. Senate floor debate will likely be severely impeded well into the spring by the nomination process. We have already heard rumblings of a short term CR to buy a little extra time if they aren't able to close out FY17 before the current CR expires on April 28.</p>																
		FY17 Energy and Water Development and Related Agencies Appropriations legislation	<p>As the House and Senate Appropriations Committee staff renew efforts to produce a FY17 Energy and Water Bill it is helpful to review what progress was made with the legislation in 2016.</p> <table border="1" data-bbox="863 899 1982 1057"> <thead> <tr> <th data-bbox="863 899 1142 938">Program</th> <th data-bbox="1142 899 1421 938">President' Budget</th> <th data-bbox="1421 899 1701 938">House Report</th> <th data-bbox="1701 899 1982 938">Senate Report</th> </tr> </thead> <tbody> <tr> <td data-bbox="863 938 1142 977">Title XVI</td> <td data-bbox="1142 938 1421 977">\$21.5 million</td> <td data-bbox="1421 938 1701 977">\$24 million</td> <td data-bbox="1701 938 1982 977">\$21.5 million</td> </tr> <tr> <td data-bbox="863 977 1142 1016">WaterSMART</td> <td data-bbox="1142 977 1421 1016">\$23.4 million</td> <td data-bbox="1421 977 1701 1016">\$24 million</td> <td data-bbox="1701 977 1982 1016">\$23.4 million</td> </tr> <tr> <td data-bbox="863 1016 1142 1057">Western Drought</td> <td data-bbox="1142 1016 1421 1057">\$0</td> <td data-bbox="1421 1016 1701 1057">\$0</td> <td data-bbox="1701 1016 1982 1057">\$100 million</td> </tr> </tbody> </table> <p>It is anticipated that this could be one of the first FY17 bills completed this spring. We will continue to push for additional funding for the WaterSMART and Title XVI grants, and work to ensure that additional discretionary funding is included in the final agreement. If discretionary funding is included, we will work again this year to request that the funding be used to supplement all of the programs under the WaterSMART umbrella so that more money is available for individual grants when individual awards are made.</p>	Program	President' Budget	House Report	Senate Report	Title XVI	\$21.5 million	\$24 million	\$21.5 million	WaterSMART	\$23.4 million	\$24 million	\$23.4 million	Western Drought	\$0	\$0	\$100 million
Program	President' Budget	House Report	Senate Report																
Title XVI	\$21.5 million	\$24 million	\$21.5 million																
WaterSMART	\$23.4 million	\$24 million	\$23.4 million																
Western Drought	\$0	\$0	\$100 million																
H.R. 23	Rep. David Valadao (R-CA)	Gaining Responsibility on Water Act of 2017	Among other things the legislation would require regulators to comply with the Bay-Delta Accord. The measure has been referred to the House Committee on Natural Resources and the Committee on Agriculture. At this time, it is our understanding that																

			there isn't much of an appetite to revisit California drought legislation after just including language in the Water Resource Development Act passed at the end of 2016.
	Rep. Bill Shuster (R-PA) /Sens. Jim Inhofe (R-WY) and Kamala Harris (D-CA)	Infrastructure Package	<p>Congressional hearings continue on the topic of an infrastructure package. During February both the House Transportation and Infrastructure Committee and the Senate Environment and Public Works Committee held a hearings on modernizing the nation's infrastructure. The Senate Commerce, Science and Transportation Committee is scheduled to hold a hearing on infrastructure access issues on March 1. We anticipate that both the House and Senate will continue to get feedback from stakeholders throughout the country as they continue to consider crafting an infrastructure package.</p> <p>While discussions continue the Republican leadership has indicated that the legislation will likely not gain momentum until Congress concludes action regarding the Affordable Care Act and tax reform legislation.</p>
	Rep. Ken Calvert (R-CA) / Sen. Lisa Murkowski (R-AK)	FY17 Interior, Environment, and Related Agencies Appropriations legislation	<p>As House-Senate negotiators work to conference the FY17 Interior Appropriations legislation we will be monitoring provisions included in the House passed bill. In addition to the normal funding, the legislation included provisions aimed at curbing the environmental agenda of the Obama Administration. Those provisions include:</p> <ul style="list-style-type: none"> • prohibiting the implementation of the "waters of the United States" regulatory definition (currently on hold by the courts); • prohibiting EPA from implementing new greenhouse gas regulations for new or existing power plants; • eliminating funding for greenhouse gas "New Source Performance Standards"; • prohibiting EPA from changing the definition of "fill materials"; • prohibitions on new methane requirements; and • prohibitions on changes to the "stream buffer rule". <p>The Senate bill, which passed out of the Senate Appropriations Committee along party lines also included a prohibition to the implementation of the "waters of the United States" regulatory definition. The Senate legislation has not been considered on the floor.</p>