



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

**WEDNESDAY, MAY 10, 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 March 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. STATE LEGISLATION MATRIX (WRITTEN)
- E. FEDERAL LEGISLATION MATRIX (WRITTEN)
- 3. GENERAL MANAGER'S COMMENTS
- 4. COMMITTEE MEMBER COMMENTS
- 5. COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS
- 6. ADJOURN

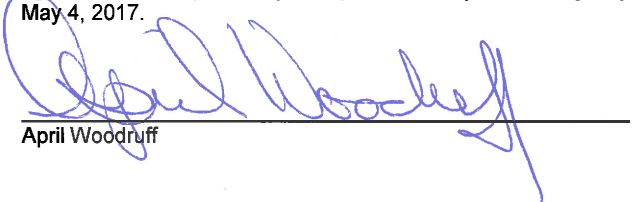
*A Municipal Water District

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, May 4, 2017.


April Woodruff

**ACTION
ITEM
1A**



MINUTES

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

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

COMMITTEE MEMBERS PRESENT

Steven J. Elie, Chair
Michael Camacho

STAFF PRESENT

Kati Parker, Director
P. Joseph Grindstaff, General Manager
Kathryn Besser, Manager of External Affairs
Andrea Carruthers, Senior External Affairs Specialist
Jason Gu, Grants Officer
Sylvie Lee, Manager of Planning and Environmental Resources
Chander Letulle, Manager of Operations and Maintenance
Stephanie Riley, External Affairs Analyst
Shaun Stone, Manager of Engineering
Christina Valencia, Chief Financial Officer/AGM
Teresa Velarde, Manager of Internal Audit
April Woodruff, Board Secretary/Office Manager

OTHERS PRESENT

Tom Dodson, Tom Dodson and Associates

The meeting was called to order at 9:15 a.m. There were no public comments received or additions to the agenda.

ACTION ITEMS

The Committee:

- ◆ Approved the Community and Legislative Affairs Committee meeting minutes of February 8, 2017.

INFORMATION ITEMS

The following information items were presented or received and filed by the Committee:

- ◆ Public Outreach and Communications
- ◆ Legislative Reports
- ◆ California Strategies, LLC Activity Report
- ◆ Federal Legislation Matrix

GENERAL MANAGER'S COMMENTS

General Manager Joseph Grindstaff had no comments.

COMMITTEE MEMBER COMMENTS

Director Michael Camacho asked about if the Agency would like to consider pharmaceutical being dropped at water agencies. Manager of External Affairs Kathy Besser stated the Agency does participate in No Drugs Down the Drain and it is something that was brought up about a year ago, however due to nature of the pharmaceuticals, the public is only allowed to drop off pharmaceuticals to a law enforcement agency. Twice a year, the Agency does outreach, education, and press releases to let the public know where the drop boxes are located. Many police stations also host a day for the collection of pharmaceuticals. The Agency will work with them to send out press releases and reach out to residents in the area. Given the liability risk the Board decided not to place a drop box at the Agency. The next No Drugs Down the Drain Day is April 29, 2017.

COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS

There were no Committee member requests for future agenda items.

With no further business, Director Elie adjourned the meeting at 9:40 a.m.

Respectfully submitted,

April Woodruff
Board Secretary/Office Manager

*A Municipal Water District

APPROVED: APRIL 12, 2017

INFORMATION
ITEM
2A

Date: May 17, 2017

To: The Honorable Board of Directors

From: *for* P. Joseph Grindstaff
General Manager *OK*

Submitted by: Kathy Besser *KB*
Executive Manager of External Affairs and Policy Development / AGM

Subject: Public Outreach and Communication

RECOMMENDATION

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

BACKGROUND

May (Water Awareness Month)

- May 4, IERCF 10 Year Anniversary Celebration, IERCF 12645 6th Street, Rancho Cucamonga, 11:00 a.m.
- May 7-13, International Compost Awareness Week
- May 10, Compost Giveaway, IEUA HQA Parking Lot, 9:00 a.m. – 2:00 p.m.
- 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

July (Smart Irrigation Month)

- July 19, Employee Appreciation Picnic, Location TBD, 11:30 a.m. – 3:00 p.m.

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 an Earth Day email blast on Monday, April 17. The average “open rate” for an email from an unknown source is 8%. From that email, the average “click thru rate”- from that email to the website is 2-3% on average. The Agency had an open rate of 27.9% with a “click thru” rate of 39.9%.
- An Earth Day spadea ad ran in the Daily Bulletin on Sunday, April 16. The spadea highlighted the upcoming Earth Day event, the water softener removal program as well as the *Kick the Habit* summer messaging tips.

Media and Outreach

- IEUA is continuing to run banner ads through *Fontana Herald News* and *La Opinión* newspapers.
- Staff has developed summer messaging tips that align with the Governor's Executive Order B-40-17.
- A *Kick the Habit* ad will run in the Champion Newspaper's *Parenting Issue* on May 27.
- Staff has developed a movie theater ad to run mid-May through early September that focuses on making water-use efficiency a way of life. This ad will run in Harkins Theater (Chino Hills), Victoria Gardens (Rancho Cucamonga), Ontario Palace (Ontario), and Ontario Mills (Ontario).
- In April, 26 posts were published to the IEUA Facebook page and 26 tweets were sent on the @IEUAwater Twitter handle.
- The top three Facebook posts, based on reach and engagement, in the month of April were:
 - 4/4: Earth Day 2017 Promo Video #4 – 'Environmental Exhibits'
 - 4/ 10: Earth Day 2017 Promo Video #5 – 'Info Booths'
 - 4/12: #WildlifeWednesday - A Ruddy Duck at the #ChinoCreekWetlands
- IEUA provided automatic water softener removal rebate bill inserts to the cities of Upland (21,200) and Chino (16,200).

Education and Outreach Updates

- Staff developed outreach messaging for *National Prescription Drug Take Back Day* that took place on Saturday, April 29.
- Staff developed outreach messaging for Water Awareness Month, including ad placement and social media outlets.
- Staff is continuing to book Water Discovery field trips for the current school year as well as the summer program year. To date, staff has scheduled and provided field trips to approximately 3,851 students from October 1, 2016 through June 29, 2017.
- Staff has begun scheduling site inspections for the qualifying 2017/2018 Garden in Every School® Mini-Grant schools. Staff will be visiting 12 schools with existing water-wise gardens. After site inspections take place and recommendations are made, schools will receive \$1,000 to go toward purchasing garden materials.
- Approximately 2,000 students, teachers and chaperones attended Earth Day on April 19. Staff is putting together post-field trip packets for each school participant that will include certificates for the students, their group photos, evaluation forms, and post-quizzes for the students. Approximately, 1,700 community members attended the community Earth Day event on April 20.
- The "Water is Life" student art poster contest winning posters were featured on banners and displayed during both student and community day for the Agency's Earth Day event. Staff is working on scheduling assembly or class presentations for student winners. Winners will receive a certificate and gift card to Barnes and Noble book store.
- Staff has ordered shirts and sweatshirts for Solar Cup team members to wear on race weekend. The Solar Cup Competition will take place May 19 through May 21.

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. The Garden in Every School® program expenses are budgeted in the Water Resources Fund.

INFORMATION
ITEM
2B



April 28, 2017

To: Inland Empire Utilities Agency

From: Michael Boccadoro
Beth Olhasso

RE: April Legislative Report

Overview:

With the \$58.2 billion transportation package passed in early April, members shifted attention to amending bills and finding the votes necessary to get bills out of policy committee ahead of the April 28 policy committee deadline.

The Governor released trailer bill language to implement short and long-term water efficiency standards, while the water community continued to advance their own proposals on the topic. Proposition 218, and water financing bills were also amended providing a better look at these measures as they move through the process.

California's Third District Court of Appeals recently upheld the cap-and-trade auction system by a split 2-1 vote. As the state moves to reach the new greenhouse gas (GHG) reduction goals, the cap-and-trade program is a key tool the state will likely use to reduce emissions. The case has been appealed to the California Supreme Court and there is legislation moving through the process to extend authorization of the program by a two-thirds vote of the Legislature. Should that authorization occur, the court case will become moot.

The Southern California Water Committee released a new report exposing the consequences of decades of water cuts caused by environmental regulations. Not surprisingly, California's San Joaquin Valley and Southern California regions are taking the hardest hit, to the tune of an average of 1.3 million acre-feet of water each year. That is roughly enough water to sustain more than 10 million Southern California residents for a full year.

The debate over operation of Aliso Canyon natural gas storage facility continues at the Legislature, California Public Utilities Commission (CPUC), Division of Oil, Gas and Geothermal Resources (DOGGR) and in the media. SoCal Gas has certified that they have completed comprehensive testing and demonstrated that the Aliso Canyon storage facility is safe to resume injection operations, but many parties insist the storage facility remain closed until a Root Cause Analysis is complete. There are efforts in the Legislature and the courts to prohibit use of the facility until the analysis is complete.

As early as May 1, the California Public Utilities Commission (CPUC) could restart the Self Generation Incentive Program (SGIP) with a \$249 million budget, with the majority of the funds allocated to incentives for energy storage systems. The program was halted last year to deal with issues related to some companies "gaming" the system.

A California appeals court recently said the state's low-carbon fuel standards (LCFS) regulations relied on a baseline level of nitrogen oxide (NOx) emissions that is too low, and it ordered the California Air Resources Board (CARB) to revise its calculations, for ethanol and biodiesel although it left the program intact during the revision process.

The California Energy Commission (CEC) has initiated a proceeding to develop and adopt the 2017 Integrated Energy Policy Report. The 2017 IEPR will focus on the implementation of SB 350 to reduce GHG emissions and increase procurement of renewable electricity. The IEOR will also implement provisions of SB 1383 to provide recommendations for the development and use of renewable gas, including biomethane and biogas.

Inland Empire Utilities Agency Status Report – April 2017

Cap-and-Trade Program Upheld

California's Third District Court of Appeals recently upheld the cap-and-trade auction system by a split 2-1 vote. The California Chamber of Commerce and the Morning Star Packing Company assert that CARB does not have the legal authority under AB 32 to raise revenue for the state beyond the costs necessary to administer the cap-and-trade program, and that the auctioning of carbon allowances constitutes an illegal tax under Proposition 13 because it was not authorized by a two-thirds vote of the Legislature.

The decision affirms a 2013 superior court ruling that found that "charges" collected from businesses under cap-and-trade are not a tax, but are "valuable, tradable commodities, conferring on the holder the privilege to pollute."

The dissent argued that "given that the auction program is, for Morning Star and businesses that are similarly situated, compulsory if they are to remain in business in California and that the auction program creates, in actual effect, general revenue, I can only conclude that the program is a tax in 'something else' clothing and that the auction program, not having been passed by a 2/3 vote in the Legislature, violates Proposition 13."

The Chamber and Morning Star have already appealed the ruling to the California Supreme Court.

Cap-and-Trade Authorization Bills

While the legal challenge to cap-and-trade moves through the court system, there are several pieces of Legislation aimed at authorizing extension of the cap-and-trade program by a two-thirds vote. AB 151 (Burke, D-Inglewood) and AB 378 (C. Garcia, D-Bell Gardens) both address the continuation of the cap-and-trade program.

As the bills move through the process, there is a growing movement among environmental justice advocates to end the offset program altogether. They contend that the cap-and-trade program has failed to lower pollution in disadvantaged communities.

There is serious discussion in the Legislature and at CARB about lowering the offset cap and restricting the number of free allowances allocated to companies to meet their compliance obligations.

Both bills passed out of the Assembly Natural Resources Committee and await hearing in Appropriations Committee.

Southern California Water Committee Releases Report on Consequences of Regulation in the Delta

The Southern California Water Committee released a new report exposing the consequences of decades of water cuts caused by environmental regulations. Not surprisingly, California's San Joaquin Valley and Southern California regions are taking the hardest hit, to the tune of an average of 1.3 million acre-feet of water each year. That is roughly enough water to sustain more than 10 million Southern California residents for a full year.

The study's findings, completed by UC Berkley economist Dr. David Sunding, includes \$15.8 billion in additional water supply and conservation investments for urban customers; \$5 billion in lost farm worker compensation and \$3 billion in lost net farm income; and a loss of 21,279 jobs statewide annually, including 11,025 farm jobs. The costs to urban communities include more than \$5 billion to make up for water cutbacks since 2000, and an expected \$10.1 billion over the next 30 years if water cutbacks continue.

The economic impacts analyzed in the report are a result of environmental regulations including the Salmon and Smelt Biological Opinions, State Water Resources Control Board Decision 1641 (related to salinity levels in the Delta), and the impending implementation of the Sustainable Ground Water Management Act.

Aliso Canyon Update

The debate over operation of Aliso Canyon natural gas storage facility continues at the Legislature, California Public Utilities Commission (CPUC), Division of Oil, Gas and Geothermal Resources (DOGGR) and in the media. As reported in previous reports, SoCal Gas has certified that they have completed comprehensive testing and have demonstrated that the Aliso Canyon storage facility is safe to resume injection operations. As part of the State's Comprehensive Safety Review, DOGGR and the CPUC will determine if SoCal Gas is authorized to resume injection operations. In contrast, a Root Cause Analysis still being conducted will determine the specific mode and mechanics that caused the failure in the casing at the well site. There is a Legislative effort to prohibit injection until the Root Cause Analysis is completed. Los Angeles County has also filed a lawsuit to prohibit injection until the Root Cause Analysis is complete.

Additionally, LA County has also commissioned an analysis to determine the feasibility of not using Aliso Canyon gas withdrawals to meet summer electric peaks, or demand during the winter of 2017-2018. The analysis, authored by EES Consulting out of Washington State, uses existing studies undertaken by DOGGR and SoCal Gas. While the studies concluded that Aliso Canyon is needed to avoid curtailments during summer heat waves, EES found the contrary. They found

that given the successful implementation of demand-response, energy storage and generation of hydropower after the wet winter, Aliso Canyon may not be needed.

The EES study will likely become the focal point of LA County's lawsuit as well as the legislation moving through the legislative process.

CPUC Doubles SGIP Program Funds

As early as May 1, the California Public Utilities Commission (CPUC) could restart the Self Generation Incentive Program (SGIP) with a \$249 million budget, with a majority of funding allocated to incentives for energy storage systems. The program was halted last year to deal with concerns related to some companies "gaming" the system.

SGIP provides rebates for qualifying distributed energy systems installed on the customer's side of the utility meter. Qualifying technologies include wind turbines, waste heat to power technologies, pressure reduction turbines, internal combustion engines, microturbines, gas turbines, fuel cells, and advanced energy storage systems. The re-started program increases the cap on fuel cell projects to 5 MW.

LCFS Program Headed for Revisions

A California appeals court recently said the state's low-carbon fuel standards (LCFS) regulations relied on a baseline level of nitrogen oxide (NOx) emissions that is too low, and it ordered the California Air Resources Board (CARB) to revise its calculations, for ethanol and biodiesel although it left the program intact during the revision process.

Holding that CARB had failed to comply with CEQA's requirement to analyze the degree to which NOx emissions from biodiesel fuels had been and would be impacted by the implementation of the LCFS rules, the Court found that CARB's failure to properly define the scope of the project caused CARB to use an improper baseline against which NOx emissions could be measured. As a result, the Court concluded that CARB's analysis of NOx emissions from biodiesel fuel was deficient under CEQA, and the environmental analysis was inadequate as an informational document disclosing the entirety of the project's impacts.

The Court of Appeal froze the carbon intensity (CI) targets for diesel and biodiesel fuel provisions at 2017 levels, until CARB has completed its corrective action by conducting its baseline analysis and until the trial court has approved this analysis.

The decision ensures that the LCFS markets will continue to function essentially unchanged, though it remains to be seen how the LCFS credit prices will react as a result of this case.

Finally, a comment in the Court of Appeal's opinion raises the possibility that the entire LCFS regulatory scheme could become subject to extreme political pressure and perhaps further legal challenge. The Court stated that "the public is entitled to know that ARB and [its governing] Board were willing to accept the risk of higher levels of NOx emissions, with the attendant increase in smog and human health impacts, in exchange for lower overall emissions of greenhouse gases to combat global warming." Although the Court did not address the potential implications of this comment, a finding that ARB had accepted higher NOx emissions in the

name of improved overall greenhouse gas emissions could subject the entire LCFS regulatory regime to pressure from groups arguing it violates AB 32, the state's overarching climate change mitigation statute.

2017 IEPR

The California Energy Commission (CEC) has initiated a proceeding to develop and adopt the 2017 Integrated Energy Policy Report. Statute requires the CEC to “conduct assessments and forecasts of all aspects of energy industry supply, production, transportation, delivery and distribution, demand, and prices.” These assessments and forecasts are used to develop recommendations for energy policies that conserve state resources, protect the environment, provide reliable energy, enhance the state's economy, and protect public health and safety. The CEC includes these energy policy recommendations in its biennial Integrated Energy Policy Report that is issued in odd-numbered years.

The 2017 IEPR will focus on the implementation of SB 350 to reduce GHG emissions and increase procurement of renewable electricity. This will include discussion of integrated resource plan development to reduce GHG emissions by doubling projected future energy efficiency savings by 2030, developing renewable resources to serve 50 percent of California electricity needs by 2030, and advancing zero-and near-zero vehicles and infrastructure in the transportation sector. The 2017 IEPR will also develop a new energy demand forecast with more advanced analytical tools to better reflect California's evolving energy system.

In addition, the IEPR will implement provisions SB 1383 which requires the CEC, in consultation with CARB and CPUC, to develop recommendations for the development and use of renewable gas, including biomethane and biogas. Part of this discussion will include evaluating a renewable gas standard as a tool to get more biomethane into the pipeline.

Evaluating energy reliability issues in Southern California will also be included. The loss of power from San Onofre, retiring of once-through-cooling plants, and reliability issues stemming from the moratorium on Aliso Canyon natural gas injection will all be included in the report.

These, and other policy measures will be discussed in workshops throughout 2017 with a draft report expected in October and the final report and adoption expected in early 2018.

Legislative Update

The Legislature was in full swing working towards the April 28 policy committee deadline. Spot bills have been amended with substantive language, and members are working hard to move their bills out of committees.

Water Financing Bills

Both Senators Hertzberg (D- Van Nuys) and Monning (D- Carmel) have bills that would create a fund for clean drinking water. SB 623 (Monning), sponsored by the Community Water Center, creates the “Safe, Affordable Drinking Water Fund” will likely be amended to include an assessment to address nitrate contamination. SB 778 (Hertzberg) funds third-party administrators in disadvantaged communities to run failing water systems. No funding source is identified yet.

Both bills passed out of the Senate Environmental Quality Committee as “works in progress” with bi-partisan support. As they move through the process they will likely be amended again to add more detail and are sure to be among the most significant water policy bills of the year. Recent polling has shown that a majority of Californians support some sort of fee to provide safe, clean and affordable drinking water for all Californians.

Water Use Efficiency Legislation

With the drought officially over in all but four counties in California and the State Water Resources Control Board (SWRCB) rescinding mandatory conservation measures, attention has turned to establishing long-term water use efficiency standards.

The Brown Administration released a final report on “Making Conservation a Way of Life” in early April. Shortly after, the Governor released budget trailer bill language to establish a process for creating long-term water use efficiency standards. Many in the water community are concerned with the proposed legislation because it deviates from the final report in that it leaves broad authority for the SWRCB to develop the efficiency standards. There are several other aspects of the trailer bill that have caused the water community to be generally concerned.

The water community, under the leadership of the Association of California Water Agencies (ACWA) have developed their own legislation to establish short and long-term efficiency standards. Finally, Assemblymember Laura Friedman (D-Burbank), a former MWD director, introduced three bills that put the Governor’s trailer bill language into policy bills that will move through the normal policy bill process. A breakdown of the legislation follows:

AB 869 (Rubio) prohibits a retail water supplier from having to reduce recycled water use at any time. AB 869 is sponsored by several retail agencies in San Diego County.

AB 968 (Rubio) is ACWA’s long-term efficiency standards language. The bill aims to mirror the draft “Making Conservation a Way of Life” report but also excludes recycled water from efficiency standards.

AB 1654 (Rubio) is ACWA’s “short term” efficiency measures bill. This bill amends the Urban Water Management Plan Act and prohibits the State Water Resources Control Board from requiring conservation in a water shortage situation if an agency has identified drought proof supplies in their UWMP.

AB 1668 (Friedman) includes the Governor’s language on short-term water management planning.

AB 1669 (Friedman) includes the Governor’s language on urban water conservation standards and use reporting.

All the bills were heard in the Assembly Water, Parks and Wildlife Committee and were all passed out of the committee. While Assemblymember Rubio’s bills enjoyed bipartisan support, Assemblymember Friedman’s bills struggled, especially with Republicans who shared the

concerns of the numerous water agencies testifying in opposition. The bills now go to the Appropriations Committee

It is unclear how this issue will be resolved. With conflicting policy between the two authors, a consensus will need to be reached. Additionally, a budget trailer bill continues to be in play. The Governor and leadership will need to decide how they wish to proceed with this issue.

Proposition 218 Reform

Senator Bob Hertzberg has introduced two bills to address Proposition 218 reform. The bills pick up where the 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. The bill ran into a little trouble from many California cities worried that the bill might add onto the already onerous new MS4 permit requirements. The bill passed off the Senate floor with 23 votes, just two over the minimum needed.

SCA 4 is a constitutional amendment that would address lifeline and conservation rates. The Association of California Water Agencies (ACWA) has agreed to sponsor SCA 4, and has been working out the final details about what article of the California Constitution the language should be inserted into. There is still disagreement between the author's office and ACWA, with ACWA wanting complete transparency by putting it in Article 13, consistent with Proposition 218. Hertzberg's office prefers it to be in Article 10, to help the bill gain votes by avoiding Proposition 218. The compromise position seems to be using article 17, an empty article of the constitution. Since the bill is a Constitutional Amendment, it is not subject to the typical legislative deadlines.

Recycled Water

The WaterReuse bill (AB 574, Quirk) which would re-define specific categories of recycled water is moving along without any opposition. It passed out of Water, Parks and Wildlife on the consent calendar and is now in Appropriations Committee where it must pass out before the May 26 deadline.

The following is a list of bills WCA initially selected for IEUA to track.

Innovative Federal Strategies LLC

Comprehensive Government Relations

MEMORANDUM

To: Joe Grindstaff, Kathy Besser

From: Letitia White, Jean Denton, Christian Rodrick

Date: April 28, 2017

Re: April Monthly Legislative Update

Congress Passes Short-Term Continuing Resolution to Fund the Government for One Week

After being unable to come to an agreement on a long-term omnibus and with funding for the government set to lapse at midnight on April 28th, the House of Representatives passed a short-term continuing resolution (CR) to fund the government for seven days, preventing a government shutdown. More than 380 members of Congress voted in favor of the legislation.

In the Senate, the CR passed by unanimous consent despite objections from Senate Minority Leader Chuck Schumer [D-NY] only a day earlier. Schumer argued that policy riders still being negotiated in the omnibus are a major issue and that Republicans need to drop demands for “poison pill” policy provisions. He added that Majority Leader Mitch McConnell [R-KY] had been “cooperative and extremely helpful” but Democrats want to work on the remaining hurdles to a long-term deal before they could agree to pass the short-term CR.

The CR’s passage through the Senate sent the bill to President Trump’s desk for signature, avoiding a partial government shutdown and a major embarrassment on his 100th day in office. Congressional negotiators will now work through the weekend to finalize the remaining issues in the long-term omnibus for the remainder of FY17.

Senate Republicans “Go Nuclear,” Change Rules, Confirm Gorsuch

On April 7th, Senate Republicans handed President Trump his first major victory by confirming Neil Gorsuch to the Supreme Court of the United States. After being unable to secure the 60 votes necessary to confirm a presidential nominee to the Supreme Court, Senate Majority Leader McConnell changed the rules that govern the United States Senate to allow for confirmation by a simple majority.

Senate Republicans expressed disappointment over having to change the rules, but argued that Democrats left them no choice. Senator John McCain [R-AZ] had tried to forge a bipartisan deal to avert the rule change but gave up after Democrats said they had enough votes to block Gorsuch. “I fear today’s action will irreparably damage the uniqueness of the Senate, and along with it, any hope of restoring meaningful bipartisanship,” McCain said in a statement after the votes Thursday. “The Democrats’ unprecedented, partisan filibuster of the nomination of Judge Gorsuch unfortunately left me with no other choice than to vote to change the rules.”

Innovative Federal Strategies LLC

It remains to be seen whether Democrats will retaliate for the rule change by slowing down work in the full Senate or in committees.

Justice Gorsuch was sworn in on April 10th as the 101st Associate Justice of the Supreme Court. Justice Anthony Kennedy administered the oath at a ceremony at the White House. At the event President Donald Trump delivered remarks, stating “I got it done in the first 100 days.” Justice Gorsuch heard his first case on April 17th.

Trump Administration Looks to Withhold Funding for Sanctuary Cities

The Trump Administration asked lawmakers working on an omnibus spending bill for Fiscal Year 2017 to include a provision withholding federal funding from states and localities that shield undocumented immigrants from deportation. The “sanctuary cities” rider requested by White House Budget Director Mick Mulvaney would have blocked federal grants from flowing to cities that do not comply with federal law regarding immigration enforcement. It appears unlikely that such a provision will be included in whatever version of the omnibus appropriations package is finalized.

Mulvaney’s request comes amid escalating debate surrounding illegal immigration in the United States, one of President Trump’s signature campaign issues. Only weeks before, California’s State Senate passed a bill to make California a sanctuary state. Additionally, on April 25th U.S. District Court Judge William Orrick agreed with the counties of San Francisco and Santa Clara, both of which sued the Trump administration for trying to prevent them from getting more than \$1 billion in federal grants, that those grants can’t legally be withheld. The ruling is applicable nationwide, and should the administration choose to appeal the ruling, it would appear before the 9th circuit court.

Trump Team Continues to Talk Infrastructure

On April 20th, President Donald Trump’s Office of Management and Budget Director Mick Mulvaney discussed the Administration’s upcoming trillion-dollar infrastructure plan at an event sponsored by the Institute for International Finance on Thursday. Despite early discussions arguing for money coming from “public-private partnerships” Mulvaney now says President Trump will propose spending about \$200 billion in taxpayer dollars as part of the upcoming plan. Discussing how the administration hopes to leverage private capital, he stated there might be a “5-to-1 sort of leverage ratio on that.” Trump has consistently said he wants to invest \$1 trillion over 10 years by leveraging private capital.

DJ Gribbin, President Trump’s special assistant on infrastructure policy, in a forum hosted by the Wall Street Journal also discussed the administration’s hope to “leverage private capital” and offer more federal spending. During the discussions, he also stated that the plan has a “very broad” definition of infrastructure that includes veteran’s hospitals and privatizing the air traffic control system.

In an interview with the New York Times, President Trump also expressed a willingness to “issue a tremendous amount of government debt” to finance the upcoming project. The President’s revised perspective comes from his belief the United States can borrow money so cheaply now because of low interest rates that it makes sense to borrow the money. “We are

Innovative Federal Strategies LLC

borrowing very inexpensively,” Trump told the New York Times. “When you can borrow so inexpensively, you don’t have to do the public/private thing.”

When asked if the total federal commitment could be \$200 billion or \$300 billion Trump answered quickly, “No. More than that. Much more than that.”

Infrastructure could be one of the areas where President Trump is able to find bi-partisan common ground after running on a promise to pour money into U.S. roads, airports and other public works but he has so far disclosed few details about the plan. The proposal is “in its early discussions” and won’t be ready until the fall, after the administration works on some of its other priorities including tax reform and healthcare, Mulvaney said. Still, there is some possibility that the administration will combine infrastructure spending with one of its other priorities to expedite their agenda.

“Probably use it with something else that’s a little bit harder to get approved, in order to get that approved,” Trump said during an appearance in Kenosha, Wisconsin, on Tuesday. “But infrastructure is coming and it’s coming fast.”

Alan Mikkelsen named Bureau of Reclamation Deputy Commissioner

U.S. Secretary of the Interior Ryan Zinke and Bureau of Reclamation Acting Commissioner David Murillo announced the appointment of Alan Mikkelsen as the Bureau of Reclamation’s Deputy Commissioner on April 20th. Mikkelsen, of Montana, has extensive experience in mediation and facilitation as the owner of a consulting business which focuses on work with Native American tribes and water users in the west He has represented various public and private natural resource clients where he consulted on land acquisition, management, wildlife, timber and agricultural issues, and has represented various irrigation districts before the U.S. Congress. He served as the treasurer for the National Water Resources Association while representing Montana on NWRA's Board of Directors. Additionally, Mikkelsen previously served as former Congressman Denny Rehberg’s Chief of Staff and as the executive director of the Flathead Joint Board of Control.

“Alan Mikkelsen is a westerner who has decades of experience in all things water issues to include irrigation projects, Tribal water compacts, conservation, and even a long-term fishing guide,” said Secretary Zinke. “His decades of experience working to conserve water and improve water infrastructure in government and private sectors will be a huge asset as we work to strengthen water security and quality in the west.”

"Alan's extensive experience working with various stakeholders in the western United States will be a great asset for Reclamation," said Acting Commissioner David Murillo.

Outlook for May

After passing a short-term CR to punt the FY17 appropriation deadline from April 28th to May 5th, Congress will have one more week to pass a long term deal to fund the government and avoid a government shutdown. Congressional negotiators are said to be very close to reaching a deal on a long-term omnibus to fund the government for the rest of FY17 and are likely to pass it before the May 5th deadline. Majority Leader McConnell, speaking from the Senate floor on the

Innovative Federal Strategies LLC

27th stated “Colleagues, it's my understanding that the four corners who are working on the omnibus appropriation are very, very close to agreement. [But] we still need a few days to process the larger bill.” Some of the disputes Congress will still have to resolve include border security, fiduciary rules for retirement investment advisers, and Puerto Rico Medicaid money.

House Republicans are expected to again try and pass health-care legislation to repeal and replace Former President Barack Obama’s signature legislation, the Affordable Care Act, or Obamacare. House Republicans were under intense pressure from the White House to vote on the stalled Obamacare repeal bill at the end of April. After an amendment offered by Representative Tom MacArthur [R-NJ] was said to be a compromise by moderates and hard-line members of the “Freedom Caucus,” talks of a vote before the end of April were renewed, however house Majority Leader Kevin McCarthy declared there would be no vote at least until May, telling reporters, “When we have the votes, we’ll vote on it.”

Much of Washington’s attention will be spent abroad in the coming weeks, specifically on North Korea and its dictator Kim Jong-Un. The House of Representatives will take up H.R. 1644 which will add new sanctions to the country’s shipping industry. Additionally, Secretary of State Rex Tillerson will use his first visit to the UN Security council to show North Korea that the world is united against its ambition of developing nuclear weapons and the missiles capable of delivering them. These efforts come amidst escalating tension with the nation as President Donald Trump recently said he sees the chance of a “major, major conflict” with North Korea, should China not be able to control its neighbor.

In other State Department related news, Rex Tillerson is said to seek a 9% cut, or 2,300 U.S. Diplomats and civil servants, to the department workforce. The Trump administration is also considering a major restructuring of U.S. foreign assistance, per a document obtained by Devex.com, a website focused on global development. The document provides details on how the proposed 28.7 percent State Department and U.S. Agency for International Development cuts in Trump’s fiscal 2018 “skinny budget” might be implemented.

May is also expected to see the release of a complete fiscal 2018 budget from the Trump Administration. The President’s previously released “skinny budget” created waves in Washington, D.C. due to its large proposed cuts in domestic programs. The President’s complete budget request will shed more details on the proposed reductions and will give Congress a starting point for FY 18 budget negotiations.

Agricultural Resources

635 Maryland Avenue, N.E.
Washington, D.C. 20002-5811
(202) 546-5115
dweiman@agriculturalresources.org

April 30, 2017

Legislative Report

TO: Joe Grindstaff
General Manager, Inland Empire Utility Agency

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

SU: Legislative Report, April 2017

State of Affairs

- * Deadline for funding federal Departments and Agencies pushed into early May. Major issues in conflict are resolved – some 150 contentious legislative riders still pending at month's end (to be addressed the first week of May).
- * No one wants a Federal shut-down (and all parties fear it).
- * Last of Cabinet positions – USDA and Labor are now confirmed.
- * Nominations from Administration for Sub-cabinet positions at DOI, Commerce, NOAA, USDA, EPA, Army Corps – little progress.
- * Very first of sub-cabinet positions now announced, David Bernhardt, to serve as Deputy Secretary, Department of the Interior.
- * House Health Care “Repeal and Replace” bill was withdrawn after facing certain defeat (House Rs split). Leadership announced it would be set-aside indefinitely. Ten days later, House leaders began rewriting the health care bill internally (within the House R Conference). Reconsideration by the full House was then announced to be on again, off again (more than once). Health care still unresolved, still controversial and still pending. Main sticking point – whether or not to provide for “pre-existing conditions.”
- * When Health Care (ACA) faltered, the President and House announced that instead of health care, they would shift priorities – and take up tax reform first.
- * President Trump, through Treasury Secretary Mnuchin, unveiled a “Tax Change” (as distinguished from “Tax Reform” proposal – a single-page list of principles.

- * As previously reported, Rep. Ryan Zinke (R-MT) finally confirmed as Interior Secretary in early March. He has spent much of his time visiting Western States – including CA and a meeting with Governor Brown.
- * Initial Administration Budget Recommendations submitted to Congress (detailed recommendations are scheduled to be submitted in May) – Domestic programs are proposed for major reductions (reported last month).
- * Infrastructure legislation remains an item of frequent mention and discussion, but to date, there is no proposal and, it's not moving.
- * Executive Orders and Administrative Directives. The Administration is stripping all internet and programmatic references Climate Change at EPA, DOI and other Departments and agencies.

People

- * **Dan Kish** to Speaker's office. Dan Kish was the staff director for the House Rs in the early 90's. He returned to the Hill as Speaker Ryan's senior staff on natural resources and the environment.
- * **Kiel Weaver** also to the Speaker's Office. Kiel served as Staff Director, Subcommittee on Water and Power, House Natural Resources Committee. Worked for Chairmen Radanovich, Young, Pombo and Fleming and Bishop. Weaver had been rumored to be named as Commissioner, BuRec and also as Assistant Secretary of the Interior for Water and Science.
- * **Alan Mikkelsen**. Deputy Commissioner, Bureau of Reclamation. From Montana. Worked with Zinke and has a background in water.

End of Wet Season Snow Pack

- * Final DWR Snow Survey – Overall – 196% of normal (stunning – by any standard or measuring).
- * Concern – with warm temperatures and a fast melt (preliminary indications) California could experience selected flooding.
- * Federal and State officials are actively monitoring the snow pack and the flooding threat.

Health Care (“Repeal & Replace”), Tax Reform and Infrastructure

- * Health care (ACA or “Obamacare), tax reform and infrastructure are politically, financially and programmatically intertwined.
- * The House, in February, March and now April, was unable to bring a “repeal and replace” health care bill to the floor. Tax provisions in the health care bill were considered essential (and therefore linked) to/for the Tax Reform package.
- * After House Rs pulled the health care bill, the President and House leadership announced

that health care would be set-aside and they would, instead, turn to tax reform.

- * Later in April, they announced that a revised “repeal and replace” would be reconsidered, but the month came to a close without a bill being called up.
- * Meanwhile, Chairman Brady, at House Ways and Means, announced that he was starting the Tax Reform process and would begin meeting with Committee Democrats.
- * Brady also announced that he would follow an aggressive hearing and markup schedule.
- * A week or so later, the Administration (having gone back and forth on the legislative agenda – health care or tax reform), announced the Trump Tax Reform legislative policy.
- * The Trump plan was a one-page list of principles, announced by Treasury Secretary Mnuchin.
- * It differed from the House Plan. Among other elements, it calls for the corporate rate to be 15% (House is at 20%).
- * President Trump, to make matters even more confusing, suggested that Tax Reform and Infrastructure be legislatively merged.
- * Lack of certainty – constantly changing agenda – contributed to on-going confusion.

Municipal Tax Deductibility

- * The Trump Plan gets rid of almost everything in the Tax Code except the mortgage deduction and deductions for charity.
- * It is not confirmed, but believed (based on statements from the Administration) that the muni-bond deductibility provision in the 100-year provision in the tax code will be repealed (notwithstanding assurances from President Trump that he supported it).
- * The Municipal Bond for America Coalition continues to support the provision and is actively working to protect it.
- * More confusing, Chairman Brady, when he announced the Committee’s schedule and the House leadership bill, signaled that the muni bond would be protected.
- * At close of April, with regard to this tax provision, the Administration and Committee appear to have different positions (still be to be clarified).

Energy Independence Executive Order

- * President Trump has issued a series of Executive Orders (EO)

- * The EO on Energy Independence directed the following:
 - Directs the Environmental Protection Agency to review and, if appropriate, suspend, revise, or rescind the Clean Power Plan and related rulemakings;
 - Disbands the Obama administration’s Interagency Working Group on the Social Cost of Carbon;
 - Lifts the Obama administration’s coal leasing moratorium on federal lands;
 - Directs the Department of Interior to review, and if appropriate, suspend, revise, or rescind Obama administration regulations restricting oil and gas exploration on federal lands;
 - Overturns Obama’s climate policy executive orders; and,
 - Directs executive agencies to “review all existing regulations, orders, guidance documents, policies, and any other similar agency actions ... that potentially burden the development or use of domestically produced energy resources, with particular attention to oil, natural gas, coal, and nuclear energy resources.”
 - In addition, Trump approved permits for the Dakota Access Pipeline and Keystone XL Pipeline

Drought – Water Conditions

- * Key report – the lack of one. According to the Drought Monitor, there are mild drought conditions in Southern San Joaquin Valley and the coastal areas of
- * DWR Monthly Snow Surveys remain strong. As indicated, the threat of late Spring flooding is the new concern.

Looking Towards May

- * The FY 2017 CR deadline was legislatively pushed from April 28 to May 5.
- * Congress either puts together a funding bill (for May to September 30, completing the FY 2017) or a shut down could occur if there is no agreement.
- * OMB is scheduled to submit detailed budget recommendations for all Departments and Agencies for FY 2018 (next fiscal year beginning October 1, 2017 and going through September 30, 2018).

#

INFORMATION

ITEM

2C



CALIFORNIA STRATEGIES, LLC

Date: April 28, 2017
To: Inland Empire Utilities Agency
From: John Withers, Jim Brulte
Re: April 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 federal infrastructure program and the best way for IEUA to impact the plan.
- Discussed and agreed to participate in a broader meeting (scheduled for May 8) to discuss timing and steps toward adoption of the regional contract by the end of December.
- Discussed the plan presented by the City of Fontana that supposedly had other city's support. Some of the proposals conflicted with existing law and many did NOT have the support of other cities in the region.
- Discussed and agreed to the following items to be discussed/tasked at the May 8 meeting:
 1. Need for a written plan
 2. Need for clear individual assignments
 3. Determination of items to be discussed with public works staff
 4. Determination of items to be discussed with city managers
 5. Need to determine the third-party stakeholders
- Reviewed the discussion of the Little Hoover Commission's February 23rd meeting regarding consolidation of special districts.
- Reached out to members of the Little Hoover Commission to assess their understanding of the status and seriousness of the discussion,

INFORMATION

ITEM

2D

State Legislation

Bill Number	Sponsor	Title and/or Summary	Summary/Status	IEUA Position
AB 574	Quirk	Potable Reuse	<p>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, if a specified expert panel found that the criteria would adequately protect public health health. 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 “groundwater augmentation,” “reservoir augmentation,” “raw water augmentation,” and “treated water augmentation.”</p>	<p>SUPPORT</p> <p>Assm. Appropriations</p>
AB 791	Frazier	Sacramento-San Joaquin Delta: State Water Project and federal Central Valley Project: new conveyance facility.	<p>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 require, before a water contractor enters into a contract to pay for these costs, that the lead agency provide the breakdown of costs for each water contractor entering into a contract and what benefits each contractor will receive based on the proportion it has financed of the proposed conveyance project.</p>	<p>OPPOSE</p> <p>Assm. Appropriations</p>

AB 792	Frazier	Sacramento-San Joaquin Delta: Delta Plan: certification of consistency.	The Sacramento-San Joaquin Delta Reform Act of 2009 establishes the Delta Stewardship Council and requires the council to develop, adopt, and commence implementation of a comprehensive management plan for the Delta, known as the Delta Plan. The act requires a state or local public agency that proposes to undertake a covered action to prepare and submit to the council a written certification of consistency with the Delta Plan before undertaking that action. This bill would prohibit the council from granting a certification of consistency with the Delta Plan until the board has completed its update of a specified water quality control plan.	OPPOSE 2 Year Bill
AB 793	Frazier	Sacramento-San Joaquin Delta: financing.	Would declare it to be state policy that the existing 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.	OPPOSE 2 Year Bill
SB 231	Hertzberg	Local government: fees and charges.	Articles XIIC and XIID 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 XIIC and XIID 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.	SUPPORT Assembly Desk

AB 1668	Friedman	Water Conservation: guidelines	Creates a new drought response plan by making numerous changes to water supply planning and drought planning to incorporate climate change, enhance water supply analysis, and strengthen the enforceability of urban water management plans (UWMP) and drought contingency planning	WATCH Assembly Appropriations
AB 1669	Friedman	Urban water conservation standards and use reporting	Requires the State Water Resources Control Board (SWRCB) in consultation with the Department of Water Resources (DWR) to adopt long-term standards for urban water conservation and water use by May 20, 2021	WATCH Assembly Appropriations
AB 968	Rubio	Urban water use: water efficiency	Establishes a new 2025 water use efficiency requirement for urban retail water suppliers	WATCH Assembly Appropriations
AB 1654	Rubio	Water Shortage: Urban Water Management Planning	Creates a new drought response plan by recasting the requirements of a water shortage contingency analysis (WSCA), and creates a new annual water supply reporting requirement for urban water suppliers	WATCH Assembly Appropriations
AB 869	Rubio	Sustainable water use and demand reduction: recycled water	Excludes, from the calculation of any water use or water efficiency target established after 2020, recycled water, as specified, delivered within the service area of an urban retail or wholesale water supplier	WATCH Assembly Appropriations

INFORMATION

ITEM

2E

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>In March the House of Representatives passed the FY17 Defense Spending bill. Speaker Paul Ryan (R-WI) then announced that the House would not be taking up any more individual spending bills and it would be up to Majority leader Mitch McConnell (R-KY) to figure out how to package the remaining spending bills before the current CR expires.</p> <p>On April 28th, The Congress passed a 7-day CR, preventing a government shutdown from occurring until May 5th and giving congressional negotiators an opportunity to finish an omnibus package for the rest of FY 17</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="856 938 1992 1094"> <thead> <tr> <th>Program</th> <th>President' Budget</th> <th>House Report</th> <th>Senate Report</th> </tr> </thead> <tbody> <tr> <td>Title XVI</td> <td>\$21.5 million</td> <td>\$24 million</td> <td>\$21.5 million</td> </tr> <tr> <td>WaterSMART</td> <td>\$23.4 million</td> <td>\$24 million</td> <td>\$23.4 million</td> </tr> <tr> <td>Western Drought</td> <td>\$0</td> <td>\$0</td> <td>\$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>
H.R. 1663	Rep. Grace Napolitano (D-CA) / Rep. Rob Wittman (R/VA)	Water Resources Research Amendments Act	This legislation would extend a Federal-State partnership aimed at addressing state and regional water problems, promoting distribution and application of research results, and providing training and practical experience for water-related scientists and engineers. H.R. 1663 would authorize \$9,000,000 annually over five years for grants to

			<p>water resources research institutes and require two-to-one matching with non-federal funds. It would also promote exploration of new ideas, expand research to reduce energy consumption, and bolster reporting and accountability requirements.</p> <p>The bill has been introduced in the House Committee on Natural Resources and no actions have yet been scheduled on it.</p>
H.R. 497/ S.357	Rep. Paul Cook/ Sen. Dianne Feinstein	Santa Ana River Wash Plan Land Exchange Act	<p>This bill directs the Department of the Interior: (1) to quitclaim to the San Bernardino Valley Water Conservation District in California approximately 327 acres of identified federal land administered by the Bureau of Land Management, and (2) in exchange for such land, to accept from the Conservation District a conveyance of approximately 310 acres of its land.</p> <p>The Bill is scheduled for a hearing in front of the Federal Lands subcommittee of the House Natural Resources Committee. The bill has bipartisan, bicameral support.</p> <p>On April 27th HR 497 passed through the House Natural Resources Committee by unanimous consent, setting the bill up for a vote before the full House.</p>
S. 32	Sen. Dianne Feinstein	California Desert Protection and Recreation Act	<p>This bill would designate important wilderness in the California desert and protect lands for recreation, wildlife and tourism. Aspects of the bill include:</p> <ul style="list-style-type: none"> • Mandate study and protection of Native American cultural trails along the Colorado River. • Designate 230,000 acres of additional wilderness area between the Avawatz Mountains near Death Valley to Imperial County's Milpitas Wash. • Add 43,000 acres to Death Valley and Joshua Tree national parks. • Create a 75,000-plus acre special management area at Imperial County's Vinagre Wash. • Designate Inyo County's Alabama Hills as a National Scenic Area. • Prohibit new mining claims on 10,000 acres in Imperial County considered sacred by the Quechan Tribe. <p>Additionally, the bill protects 140,000 acres of existing off-road vehicle riding areas from mining, energy development, military base expansion or other decisions that would close them to vehicle use.</p>