



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

**WEDNESDAY, SEPTEMBER 12, 2018
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 is 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 August 8, 2018.

2. INFORMATION ITEMS

A. PUBLIC OUTREACH AND COMMUNICATION (WRITTEN)


B. LEGISLATIVE REPORTS (WRITTEN)

1. West Coast Advisors
2. Innovative Federal Strategies

- 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, September 6, 2018.



April Woodruff

**ACTION
ITEM
1A**



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

**WEDNESDAY, AUGUST 8, 2018
9:00 A.M.**

COMMITTEE MEMBERS PRESENT

Steven J. Elie, Chair
Michael Camacho

COMMITTEE MEMBERS ABSENT

None

STAFF PRESENT

Halla Razak, General Manager
Kathy Besser, Executive Manager of External Affairs & Policy Development/AGM
Christina Valencia, Executive Manager of Finance & Administration/AGM
Jason Gu, Manager of Grants
Rick Mykitta, Manager of Operations & Maintenance
Stephanie Riley, External Affairs Analyst
April Woodruff, Board Secretary/Office Manager

OTHERS PRESENT

None

The meeting was called to order at 9:00 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 June 13, 2018.

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
- ◆ State Legislation Matrix
- ◆ Federal Legislation Matrix

GENERAL MANAGER'S COMMENTS

There were no General Manager comments.

COMMITTEE MEMBER COMMENTS

There were no Committee member comments.

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 9:18 a.m.

Respectfully submitted,

April Woodruff
Board Secretary/Office Manager

*A Municipal Water District

APPROVED: SEPTEMBER 12, 2018

INFORMATION
ITEM
2A

Date: September 19, 2018

To: The Honorable Board of Directors

From: Halla Razak, General Manager

Committee: Community & Legislative Affairs

#HR
09/12/18

Executive Contact: Kathy Besser, Executive Manager of Ext. Aff. & Policy Dev./AGM

Subject: Public Outreach and Communication

Executive Summary:

This is an informational item that provides highlights of the External Affairs team's monthly outreach, education and communication programs and updates.

- October, National Energy Awareness Month
- October 6 – October 14, Water Professionals Appreciation Week
- October 20, Landscape & Water Conservation Festival, Chino Basin Water Conservation District, 4594 San Bernardino Street, Montclair, 9:00 a.m. – 2:00 p.m.
- October 30, Blood Drive, IEUA HQB Event Room, 8:00 a.m. – 1:00 p.m.

Staff ran an ad in the Chino Connection on August 4.

An ad ran in the High School Football section of the Chino Champion on August 11.

A California Water spadea ran in the Daily Bulletin on September 2.

A L.A. County Fair theme-page ad ran in the Chino Champion on September 8.

Staff created an internal online shopping site through AIM giving employees the ability to shop for IEUA-approved branded gear.

Staff's Recommendation:

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

Budget Impact: N *Budgeted (Y/N):* N *Amendment (Y/N):* N *Requested Amount:*

Account/Project Name:

Fiscal Impact (explain if not budgeted):

Prior Board Action:

N/A

Environmental Determination:

Not Applicable

Business Goal:

IEUA is committed to providing a reliable and cost-effective water supply and promoting sustainable water use throughout the region.

IEUA is committed to enhancing and promoting environmental sustainability and the preservation of the region's heritage.

Attachments:

Attachment 1 - Background

Background

Subject: Public Outreach and Communication

September

- September 19, Agency All Hands Meeting, Chino Hills Community Center, 14250 Peyton Drive, Chino Hills, 1:30 p.m. – 3:00 p.m.

October

- October, National Energy Awareness Month
- October 6 – October 14, Water Professionals Appreciation Week
- October 20, Landscape & Water Conservation Festival, Chino Basin Water Conservation District, 4594 San Bernardino Street, Montclair, 9:00 a.m. – 2:00 p.m.
- October 30, Blood Drive, IEUA HQB Event Room, 8:00 a.m. – 1:00 p.m.

December

- December 19, Employee Recognition Holiday Luncheon, Los Serranos Country Club, 15656 Yorba Avenue, Chino Hills, 11:00 a.m. – 3:00 p.m.

Media and Outreach

- Staff ran an ad in the *Chino Connection* on August 4.
- An ad ran in the High School Football section of the *Chino Champion* on August 11.
- A California Water spadea ran in the Daily Bulletin on September 2.
- A L.A. County Fair theme-page ad ran in the *Chino Champion* on September 8.
- External Affairs staff is working with Agency department leads to update the Agency's external website.
- Staff promoted August as Water Quality Month through social media outreach and messaging.
- Agency staff is working on a video short featuring the Agency's renewable energy portfolio.
- Staff created an internal online shopping site through AIM giving employees the ability to shop for IEUA-approved branded gear.
- August: 21 posts were published to the IEUA Facebook page, 10 posts were published to IEUA's Instagram and 21 tweets were sent on the @IEUAwater Twitter handle.
 - The top three Facebook posts, based on reach and engagement, in the month of August were:
 - 8/16: Compost Facility Video
 - 8/27: Watershed Cleanup in Pomona event post
 - 8/8: Don't Flush Drugs Down the Drain post
 - The top three tweets, based on reach and engagement, in the month of August were:
 - 8/2: #ThursdayThoughts
 - 8/14: Don't Dump Your Cooking Oil #WaterQualityMonth
 - 8/3: Fun Fact Friday

- The top three Instagram posts, based on reach and engagement, in the month of August were:
 - 8/2: #ThursdayThoughts
 - 8/16: Compost Facility Video
 - 8/14: Don't Dump Your Cooking Oil #WaterQualityMonth
- During the months of August and September, staff are promoting a post about the Water Discovery Field Trip and Tours as a boosted/paid post. As of now, the posts have reached 2,600 people in the service area.
- Cucamonga Valley Water District included Automatic Water Softener Removal Rebate inserts with the July/August billing to 24,000 residents.

Education and Outreach Updates

- Staff has begun program outreach for the new school year this month. Principal meetings will be scheduled in addition to digital and postal outreach methods.
- Staff has begun scheduling Water Discovery Field Trips. To date, 18 schools have made reservations for the current school year.
- Staff is developing a self-guided tour brochure for the Chino Creek Wetlands and Educational Park, which will coincide with QR codes and park signage.

INFORMATION
ITEM
2B



August 31, 2018

To: Inland Empire Utilities Agency

From: Michael Boccadoro
Beth Olhasso
Maddie Dunlap

RE: August Report

Overview:

Water conditions have remained steady throughout the late summer with about 86 percent of California experiencing drought. Historically high precipitation levels from winter 2017, supplemented by moderate rain and snowpack levels this year, continue to drive California's current water supply situation.

After several years of work and public meetings, the State Water Resources Control Board (SWRCB) held off voting on the proposed Bay-Delta Water Quality Control Plan Update in August. If adopted, the proposal would update water quality requirements for salinity in the southern Delta and water flows in major tributaries to the San Joaquin River, including the Stanislaus, Tuolumne, and Merced Rivers. The revised plan proposes to increase the required flows to be left in the rivers, referred to as unimpaired flows, to around 40 percent from February to June. After significant public outcry, Chair Marcus agreed to postpone the vote until November.

What should have been a fairly easy process turned political for the State Water Contractors and the Department of Water Resources (DWR). DWR and the Contractor have been in discussions for years hashing out the details of extending the current contract between DWR and the Contractors beyond 2035. The extension is necessary so that the bonds can be issued beyond 2035, ensuring more favorable rates. Opponents of WaterFix stirred up concern that the amendment would also authorize the contract amendment necessary for WaterFix.

The South Coast Air Quality Management District's Governing Board is getting a new member, giving Democrats a one seat advantage in the historically Republican-leaning board. Over the past two years, the board's leadership has been either deadlocked in terms of party representation or controlled by the GOP.

The 2017-2018 Legislative Session officially came to a close at midnight on August 31. The Governor now has 30 days to act on the hundreds of bills that are on his desk. Notably, the Safe and Affordable Drinking Water Fee never made it to the floor for a vote, while SB 998 (Dodd) concerning policies and procedures for discontinuing residential water service passed and is awaiting action by the Governor. Eastern Municipal Water District's AB 2050 (Caballero) relating to consolidation of failing water districts sailed through the floor process and efforts continue to secure a signature from Governor Brown. SB 100 (de Leon) to establish a 100 percent clean energy goal is also awaiting gubernatorial action while AB 813, Assembly Member Holden's measure to establish a Western regional power grid was not acted upon by the deadline.

Finally, the Conference Committee established discuss to wildfire issues issued a measure that focuses on vegetation management and allows the CPUC to shift most of the cost of wildfire damages from utility shareholders to utility ratepayers. The Legislature passed the measure, strongly opposed by ratepayer advocates, late on the last night of session, as expected.

Inland Empire Utilities Agency Status Report – August 2018

Drought Conditions

U.S. Drought Monitor California

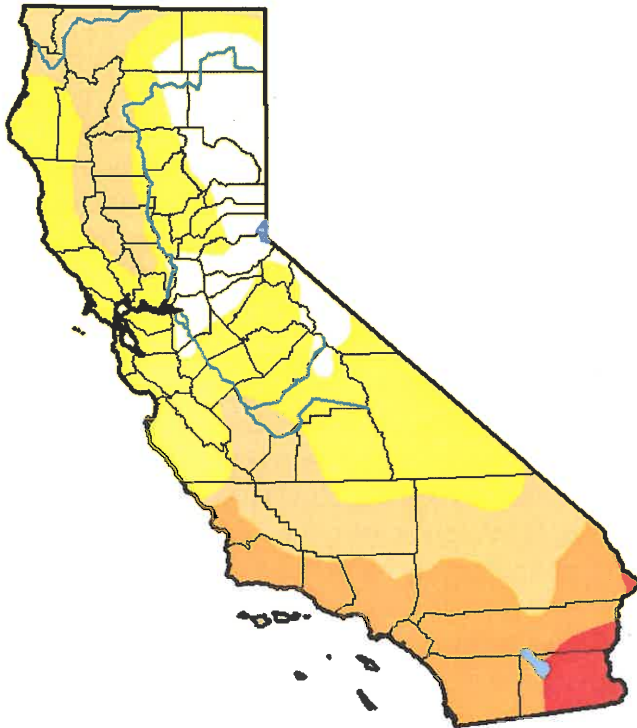
August 21, 2018

(Released Thursday, Aug. 23, 2018)

Valid 8 a.m. EDT

Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	13.78	86.22	47.19	20.75	2.77	0.00
Last Week 08-14-2018	13.84	86.16	47.19	20.75	2.77	0.00
3 Months Ago 05-22-2018	30.49	69.51	37.08	20.75	2.78	0.00
Start of Calendar Year 01-02-2018	55.70	44.30	12.69	0.00	0.00	0.00
Start of Water Year 09-26-2017	77.88	22.12	8.24	0.00	0.00	0.00
One Year Ago 08-22-2017	77.88	22.12	8.24	0.04	0.00	0.00



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.

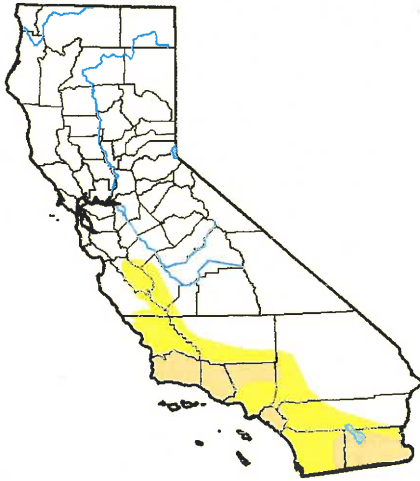
Author:

Jessica Blunden
NCEI/NOAA



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

August 22, 2017



Conditions on August 22, 2017

Drought conditions have remained steady throughout the late summer with about 86 percent of California experiencing dry to severe drought conditions. Historically high precipitation levels from 2017 continue to keep water storage levels above normal. Lake Oroville continues to be the only reservoir under 70 percent of average, as it was kept low as the spillway was repaired. All other key reservoirs are between 80 and 131 percent of historical average.

SWRCB Contemplates Final Draft of Phase One of Delta Water Quality Control Plan Update amid Controversy

After several years the State Water Resources Control Board (SWRCB) announced that it would begin to consider whether to adopt the proposed Bay-Delta Water Quality Control Plan Update – Phase 1 at their August hearing. The plan proposes updated water quality requirements for salinity in the southern Delta and water flows in major tributaries to the San Joaquin River, including the Stanislaus, Tuolumne, and Merced Rivers.

The revised plan proposes to increase the required flows to be left in the rivers, referred to as unimpaired flows, to around 40 percent from February to June. There aren't currently any unimpaired flow requirements for these rivers. Southern Delta salinity objectives would also be adjusted but have not faced controversy.

The most significant impacts of the plan are on agriculture and local communities, with a roughly 38 percent reduction in surface water supplies during critically dry years. The SWRCB's analysis shows for agricultural and municipal water users in the Central Valley, the proposal could result in an average increase in groundwater pumping of 105 thousand acre-feet per year (TAF/yr). Some parts of the region are already in overdraft situations, which will likely result in limited groundwater pumping resulting in agricultural and municipal water users having a water supply deficit.

The board put off a vote at the August hearing after great objection from nearly all affected water users from irrigation districts, to their growers, to urban water agencies including San Francisco Public Utilities Commission and Natural Resources Secretary John Laird. Adam Gray (D-Merced) organized a rally at the Capitol the day before the hearing that was attended by an estimated 1,000+ residents from the Sacramento and San Joaquin Valley who are strongly opposed to the proposal.

In the days following, the board deliberated, heard staff reports and public comment for more than 18 hours. At the conclusion of the hearing board members shared their opinions of the plan. Board member D'Adamo, a notable valley supporter, expressed very strong frustration with the process and staff reluctance to incorporate public comment and her own input into the final plan. Board members Moore and Doduc expressed support for an increased unimpaired flows standard, as proposed in the plan. Ultimately the board did not vote and has now scheduled a vote for the November hearing.

Phase II of the Delta Water Quality Control Plan update covers the Sacramento River and its tributaries. The preliminary Phase II documents include a range of 35-75 percent unimpaired flows for Sacramento River Delta inflow, among other proposed changes. This would also constitute a significant increase over current operations.

Phase III of the process will be water rights proceedings to align existing water rights permits with whatever the revised Water Quality Control Plan ends up being. This will undoubtedly be marked by years of litigation.

State Water Project Contracts

What should have been a fairly easy process turned political for the State Water Contractors and the Department of Water Resources (DWR). DWR and the Contractors have been in discussions for years hashing out the details of extending the contract between the two parties beyond 2035. The extension is necessary so that bonds for normal operating expenses and projects can be issued beyond 2035, ensuring more favorable rates.

Senate Natural Resources and Water Committee held a hearing to discuss extending the contract between DWR and the State Water Contractors. Several weeks ago, DWR Director Karla Nemeth reiterated several times that this contract extension was not an authorization of WaterFix. Instead, bonds would be issued for system improvements not related to WaterFix or Oroville Dam repair. There is a separate contract amendment process already underway to deal with WaterFix. However, these assurances were not enough for WaterFix opponents.

The final step necessary for the contract to get approved, an informational hearing by the Joint Legislative Budget Committee was scheduled for mid-August. The hearing was abruptly cancelled after the San Diego County Water Authority raised concerns with Pro Tem Atkins. They asserted that this extension would authorize the contract amendments needed for WaterFix. Despite assurances there is a completely separate process, the Pro Tem refused to reschedule the hearing.

To alleviate the concerns of SDCWA, AB 2649 (Bloom) was introduced three days before the end of session. The bill sets out a process for how future contract amendments would be adopted and includes some further transparency measures.

With the introduction of AB 2649, the Pro Tem scheduled the hearing for August 30 which once again was abruptly cancelled. The Pro Tem has now scheduled the hearing for September 11 and the State Water Contractors are working to ensure the hearing isn't cancelled again.

Democrats regain majority at South Coast Air Quality Management District

The South Coast Air Quality Management District's Governing Board is getting a new member, giving Democrats a one seat advantage in the historically Republican-leaning board. Over the past two years, the board's leadership has been either deadlocked, in terms of party representation, or controlled by the GOP.

That changed this week. On Tuesday, Aug. 28, the Riverside County Board of Supervisors voted 5-0 to name Democrat Supervisor V. Manuel Perez to represent Riverside County, replacing Supervisor Marion Ashley, a Republican who is retiring.

Perez will take over next month and is slated to hold the seat until January 2022.

The change comes more than two years after a GOP majority fired the district's executive officer and pursued policies that Republicans saw as more business-friendly. In March 2016, the Republican-controlled board voted on partisan lines to fire longtime Executive Officer Barry Wallerstein, who faced criticism from business and environmental groups, but had a reputation for advocating tougher air-pollution rules in a region notorious for smog.

Public health advocates were upset by Wallerstein's ouster and then-state Senate President Pro Tem Kevin de León, D-Los Angeles, sponsored legislation to add three state-appointed "environmental justice" members representing low-income communities to the district board. That bill fell short in the Legislature.

Penny Newman, founder of the Jurupa Valley-based Center for Community Action and Environmental Justice, said she was impressed with Perez's appointment.

"I hope this is a signal that we're going to get over all this partisan bickering and start doing what its right for these communities" afflicted by air pollution, said Newman, who ran for supervisor earlier this year.

Legislative Update

The Legislature adjourned the 2017-2018 Legislative Session just minutes before the 11:59 PM August 31 deadline.

Clean Drinking Water Fund

As discussed throughout the year, SB 623 (Monning) as well as similar Trailer Bill language from the Governor's office, have been the focus of the discussion around implementing the Safe and Affordable Drinking Water Fund. The proposal would levy a \$.95 per month fee on all residential drinking water customers, with the fee escalating as the pipe size increases for commercial and industrial customers. The proposal also includes an assessment on fertilizer, and an assessment on milk production and livestock operations.

After significant opposition from the water community, a new proposal was released on August 22. The proposal would make the residential fee voluntary by allowing residents to "opt out" of paying the fee every month. Additionally, it eliminates the low-income exemption that was included in SB 623. Because the fee would be voluntary, the bill was deemed to be a majority vote bill. On the last day of session, Speaker Rendon announced that the measure was not going to move forward for the year, but that a workgroup would be formed over the fall to prepare for

new legislation next year. It is their intent to build off SB 844 and SB 845. Assembly members Eduardo Garcia (D- Coachella Valley) and Heath Flora (R-Modesto) will lead the group.

AB 2050 (Caballero)

Eastern Municipal Water District and the California Municipal Utilities Association introduced AB 2050 (Caballero, D-Salinas) as a complementary way to begin addressing drinking water challenges in disadvantaged communities. Their bill looks at how to consolidate failing water agencies under a larger umbrella to provide cost effective technical, managerial and financial support. The bill is supported by Metropolitan Water District of Southern California, the Association of California Water Agencies, the Santa Ana Watershed Project Authority and many local water agencies. The measure has made it all the way through the legislative process and is on the Governor's desk awaiting final action.

SB 998 (Dodd)

A coalition of opponents to SB 998, Senator Dodd's (D-Napa) bill regarding water shutoffs, will turn their focus toward getting the measure vetoed by the Governor. The bill, passed by the Legislature, prohibits a water agency from shutting off water service to a residential customer, under certain conditions. Concerns among stakeholders remain on how the whole shutoff process would work including any Proposition 218 issues that would arise as other customers have to assume the cost of service to any residential property that does not pay their bill. The bill has made its way through three different policy committees with members wanting to support access to clean drinking water for all Californians, but also understanding the Proposition 218 issues water agencies face. Negotiations reached a stalemate with the author not willing to take amendments proposed by a coalition of water interests. ACWA, CMUA and others moved to a straight oppose position. The coalition is targeting the Governor for a veto.

SB 100 (deLeon): 100 Percent Clean Energy Standard

Senator Kevin de Leon's (D-Los Angeles) bill to establish a 100 percent clean energy standard by 2045 gained renewed momentum at the end of session. SB 100 also expedites the current 50 percent RPS target to December 31, 2026 (currently 2030) and adds a new 60 percent target for December 31, 2030. The bill also creates a goal for the state to meet all of its retail electric supply with a mix of RPS-eligible and zero carbon resources by 2045.

The bill previously stalled in the Assembly Utilities and Energy Committee last September after committee chair, Assemblymember Chris Holden (D-Pasadena) refused to set the bill for a hearing. Recently, Senator de Leon revived the bill and narrowly moved it out of the legislature despite opposition. This bill also got the bare minimum number of votes to pass out each house. The bill is on the Governor's desk and it may be hard for Brown to resist supporting the measure with the upcoming Global Climate Summit in San Francisco in a few weeks.

Western Grid Regionalization

Another controversial energy bill, AB 813 (Holden, D-Pasadena) to establish a Western region transmission system, a top priority of Governor Brown, was also the subject of last minute discussions.. AB 813 stalled in the Senate last year was amended in recent months, prompting a last ditch effort in the Senate.

The bill outlines a process for creating the bylaws and governing rules of a multistate regional transmission system organization, that would need to be reviewed and approved by the Energy

Commission with consultation from the Air Resources Board (ARB) and the Public Utilities Commission (PUC). The proposed rules and documents would have to meet existing Federal Energy Regulatory Commission (FERC) requirements.

Stakeholders remain concerned with the unknown consequences of creating a regional grid. It is still unclear what the potential costs and benefits might be. As the session ended labor groups remained strongly opposed to the measure, ensuring its ultimate failure.

Utility Response to Catastrophic Wildfires

One of the most complicated and delicate issues this legislative session has been in response to last year's catastrophic utility caused wildfires. With a tangled web of interests including fire victims, utilities, insurance companies, trial attorneys, labor unions, and ratepayers, the legislature struggled to come to an agreement on how policies related to these types of natural disaster should be handled moving forward.

In the months since the fires, Cal Fire has released various investigative reports finding PG&E's transmission lines, other equipment, and less than satisfactory maintenance to be to blame for much of the damage. This has prompted PG&E to announce this month that claims will likely exceed \$2.5 billion. Some have speculated that the property damage alone could be as high as \$12 billion. PG&E's liability insurance would only cover up to \$840 million in damage. Damage estimates have not yet been released for the fires in the Southern California Edison (SCE) territory, but the issue of who is responsible for those costs, shareholders or ratepayers, will be a significant discussion.

The utilities have expressed significant concern and urgency to the legislature, shareholders and others over declining credit ratings and raising the possibility of bankruptcy.

Coming out of the legislative summer recess, a Conference Committee was formed to tackle the issue. They held several public meetings and released a bill just hours before the deadline for amendments. The bill focuses heavily on forest vegetation management. Additionally, the bill allows for the CPUC to shift most of the responsibility for covering cost of the wildfires to the ratepayers even when the utility has been found negligent. The costs of the 2017 fires can be "securitized" allowing PG&E to shift most of the cost to ratepayers, who will pay a surcharge for the next 20 years. Going forward, the measure also establishes new parameters the CPUC must consider, including weather and climate change when assigning "liability". This change will also result in more costs being shifted to ratepayers in the future. Ratepayers will also continue to be on the hook for likely billions of dollars for utility system improvements to "harden" infrastructure to prevent wildfires.

The measure was passed with bi-partisan support despite strong opposition from ratepayer and business groups who labeled the plan a utility bailout.

Innovative Federal Strategies LLC

Comprehensive Government Relations

MEMORANDUM

To: Halla Razak and Kathy Besser

From: Letitia White, Jean Denton, Shavenor Winters, Drew Tatum

Date: August 30, 2018

Re: August Monthly Legislative Update

September's Short Work Window Strains Effort to Avert Shutdown

Republican leaders' plans to avoid a government shutdown will be put to the test next month when the House and Senate come under pressure to negotiate three "minibus" spending bills and get them enacted by Sunday, September 30 which is the end of the fiscal year.

Senate Majority Leader Mitch McConnell (R-KY) and House Speaker Paul Ryan (R-WI) face many hurdles to persuade members to line up behind their plan to have the three measures comprising nine of 12 FY19 bills passed in both chambers and on their way to President Donald Trump's desk by the deadline.

Appropriations Committee Chairman Richard Shelby (R-AL) said Senate approval of the \$857 billion minibus containing the Defense and Labor-Health and Human Services bills on top of two other packages should provide the momentum Senate Majority Leader McConnell needs to get all three enacted next month. Much will depend on the House, which plans to be in session only 11 days in September.

The Defense and Labor HHS package (H.R. 6157), which the Senate passed on August 23, will land in a queue that includes the minibus (H.R. 5895) containing the Energy and Water, Military Construction-Veterans Affairs, and Legislative Branch bills. Also awaiting final action is another minibus (H.R. 6147) containing the Financial Services, Interior-Environment, Agriculture, and Transportation, Housing, and Urban Affairs bills. Those nine bills account for more than 80 percent of the \$1.3 trillion in discretionary funds that appropriators oversee annually.

None of these have been fully negotiated by both sides and are not prepared for quick votes. The three other fiscal 2019 bills (Homeland Security, State-Foreign Ops, and Commerce-Justice-State) have yet to be considered by either chamber. Lawmakers are talking about a new continuing resolution (CR) to keep all agencies funded after September 30, likely through December covering the lame-duck period after the November midterm elections.

A battle over policy riders that the House attached too many to its bills while the Senate so far has ignored riders will likely be a potential point of angst.

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House Republican pressure to include funding for a nuclear waste repository at Nevada's Yucca Mountain and roll back or block Obama-era programs in their version of the Energy and Water legislation is meeting strong Democratic opposition and is slowing work on reaching a final agreement on the three-bill minibuss.

The House Energy and Water spending bill included funding for Yucca but the Senate, as in previous years, omitted the funds. The House also wants provisions to repeal the Obama administration's Waters of the U.S. rulemaking, block the National Ocean Policy, and withhold funds for the operations of the Federal Columbia River Power System. All are opposed by Democrats.

Republican leaders may decide to drop the Energy and Water spending bill from the minibuss if they cannot resolve the dispute over riders as it threatens overall progress on finalizing the package.

The developments hint at the first cracks in Republican leaders' strategy to get three minibuss packages covering nine of the 12 annual spending bills finished by the time the federal government's fiscal year ends.

Potential wild cards:

- The package of "anomalies" the White House will want on any CR. Those are adjustments to certain accounts to avoid administrative problems while full-year bills are being enacted.
- The second set of budget rescissions the White House is preparing to recover unused federal money.
- A possible request to provide supplemental funding to address natural disasters, including wildfires.
- President Trump's appetite for a shutdown.

Infrastructure Proposal

In February of this year the Trump administration released the long-awaited details of its plan to invest as much as \$1.5 trillion in infrastructure over a decade. The plan would reallocate \$200 billion in federal funds from other programs. The bulk of the investment would be from state and local governments and the private sector. The administration also proposed a variety of regulatory changes to speed up environmental reviews and permitting, as well as programs to spur workforce development.

President Donald Trump promise to rebuild America's crumbling infrastructure has continually stalled in Congress and companies that make equipment for construction and other industries anxious to remind him of the initiative.

The Association of Equipment Manufacturers is airing a 30-second ad and is the cornerstone of a "Mission Not Accomplished" campaign urging Washington to make upgrading public works a priority.

Innovative Federal Strategies LLC

While a large infrastructure bill has not moved, the House and Senate have continued moving individual infrastructure bills, including a reauthorization of water infrastructure projects and a reauthorization of the Federal Aviation Administration (FAA). As we have previously shared, Senate Environment and Public Works Committee Chairman John Barrasso (R-WY) acknowledged that the America's Water Infrastructure Act of 2018 (S. 2800, previously known as the Water Resources Development Act or WRDA), as written cannot move forward after an analysis from the Congressional Budget Office (CBO) found it would boost the deficit by more than \$3 billion over the next decade. To combat this, Sen. Barrasso said the scope of the bill, S. 2800, would be reined in before it heads to the Senate floor.

The bill won approval from the Environment and Public Works Committee on Tuesday, May 22, but the recent CBO score has forced committee leaders to reexamine authorization levels. Early last week, chairman of the Commerce, Science and Transportation Committee, Sen. John Thune (R-SD) said the bill to authorize water-related infrastructure projects is being held up over a provision to permanently reauthorize the Land and Water Conservation Fund and the Senate's ability to take up the WRDA bill when it returns from recess "depends on getting this issue resolved". The House passed its own WRDA bill (H.R.8) on June 6th by a vote of 408-2. Once the Senate passes its bill, the House and Senate hope to conference the legislation before the end of the year.

The Senate is also looking to take up legislation to reauthorize the Federal Aviation Administration after the House passed its own FAA reauthorization (H.R.4) on April 27th by a vote of 393-13. The House bill dropped the controversial provision included in a previous version of the legislation that would have privatized Air Traffic Control operations.

In the Senate, Republicans and Democrats are at odds over a trucking provision in the aviation bill and liability preemption in the self-driving car bill, pushing a possible vote on the legislation into the fall. The trucking language, which has appeared in previous debates over bills to reauthorize the Federal Aviation Administration and is in the House-passed bill (H.R. 4), affects trucking hours-of-service, establishing that federal laws preempt state and local ones.

Democrats are opposed to its inclusion in the Senate bill. Despite the concerns over the measures, Commerce, Science and Transportation Committee Chairman Sen. John Thune (R-SD) and Ranking member Sen. Bill Nelson (D-FL) remain hopeful that the hurdles will be cleared by the end of September when the current FAA authorization expires.

House Transportation and Infrastructure Committee Chairman Bill Shuster (R-PA) recently released a plan to overhaul the way the government pays for infrastructure. Representative Shuster is term limited as Chairman of the T&I Committee, and he has announced his intention to retire at the end of this Congress. With the compressed Congressional schedule ahead of the elections, Representative Shuster has indicated that the Committee has no plans to mark up the legislation. As many Committee Chairmen have in the past, Rep. Shuster introduced the discussion draft to serve as a blueprint for future Congressional action.

The plan includes tax increases to fund highways; new grant programs; expanded credit programs and regulatory streamlining and would incorporate water infrastructure ideas.

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Water Infrastructure

The Shuster plan would permanently expand and authorize the Water Infrastructure Finance and Innovation Act (WIFIA) program. Under the proposal, WIFIA could secure as much as 80 percent of loans for a project, instead of 49 percent and project applications would only need a rating from one credit agency instead of two and the EPA could service Army Corps loans for water resource projects. The EPA could also provide grants to nonprofits for technical assistance. States would have to use at least 10 percent of their grants from the Clean Water State Revolving Fund to help small municipalities having trouble affording water projects' costs. The proposal would clarify the Clean Water Act criteria states use to certify water projects that may result in discharges.

As we have previously shared, Congressional leaders say they will tackle several infrastructure bills this fall but no comprehensive overhaul. Fiscal year 2019 appropriations bills include an extra \$10 billion for existing infrastructure programs and one-time discretionary grants.

Surface Transportation

With the Highway Trust fund gap increasing, and revenues from the existing fuel tax (gas tax) and other motorist fees are currently decreasing. The average number of miles a vehicle can travel on a tank of gas has increased since the mid-2000s, further decreasing revenue from the gas tax. The current gas tax has not been raised since 1993, in 2016 the gas tax would be 31 cents if it was adjusted for inflation. Shuster plan would increase rate to 33.3 cents from 18.3 cents, then eliminate it after fiscal 2028. A 15-member commission consisting of members for the Department of Transportation and bipartisan, bicameral congressional representatives would be tasked to produce a plan to make the Highway Trust Fund solvent without a gas tax. The commission would have to develop a proposal, including draft legislation, by Jan. 15, 2021.

Rep. Shuster's plan would help avoid insolvency, which will occur in fiscal 2021 when a one-time general fund transfer under the 2015 FAST Act runs out. The Shuster plan would also set an expedited procedure for Congressional consideration of the commission's bill.

The Shuster plan includes a two-year pilot per-mile road user fee, similar systems have been tested in several states, including California, Colorado, Oregon, and Washington. The pilot program would monitor the mileage of volunteers across the country to calculate fees; tracking could be manual; by smartphone or on-board device; or by vehicle manufacturers or insurance companies. The fee would be set at average fuel tax paid relative to miles traveled.

Infrastructure Investment

The legislation also makes notable changes to BUILD grants, formerly Transportation Investment Generating Economic Recovery (TIGER) grants, by authorizing National Infrastructure Investment grant program for surface transportation at \$3 billion annually. Airports could also compete for these grants. The Transportation Department would solicit proposals and provide list of recommended projects to Congress annually and Congress would authorize as much as \$500 million annually in grants for specific "projects of national significance" under the new process. The plan would make additional funding changes for surface transportation including: authorizing \$50 million in fiscal 2019 for Railroad Rehabilitation and Improvement Financing (RRIF) direct loans and loan guarantees and funding freight projects the Transportation Department turns down. Mirroring the Administration's

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approach to reducing permitting process time by allowing environmental reviews available to one Transportation Department office to be used by a transportation project administered by another office to limit potential duplication of efforts and increased time waiting for cumbersome approvals.

Judge's Ruling Reinstates WOTUS in 26 States

The U.S. District Court in South Carolina ruled against the Trump administration on Thursday, August 16 for delaying the Obama-era Waters of the United States rule (WOTUS). The decision means the rule is operative again in 26 states where district courts haven't halted the regulation.

The decision stems from a suit filed by the Southern Environmental Law Center in the U.S. District Court located in Charleston. The ruling ends the Environmental Protection Agency and U.S. Army Corps of Engineers' suspension of clean water protections under the Clean Water Act.

The lawsuit alleged EPA and the U.S. Army Corps of Engineers violated fundamental laws prohibiting agencies from removing basic environmental safeguards without telling the public what they are doing, revealing the impact of those changes and giving the public a chance to weigh in. The court held that the agencies refusal to allow meaningful public comment doomed the rule, stating that "An illusory opportunity to comment is no opportunity at all."

WOTUS now applies in California, Connecticut, Delaware, Hawaii, Illinois, Iowa, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, New Hampshire, New Jersey, New York, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, Tennessee, Texas, Vermont, Virginia and Washington. The ruling does not apply to the other 24 states where other legal challenges are pending.

EPA Prepares Power Plant Rule Rewrite

The Environmental Protection Agency (EPA) is seeking to unveil a modest proposal to replace Obama-era limits on greenhouse gas emissions from power plants as President Trump scheduled visit to West Virginia, the No. 2 coal-producing state.

Trump's EPA aims to replace former President Barack Obama's Clean Power Plan, which set specific carbon-cutting targets for states—and then gave those states broad latitude in deciding how to hit those targets, such as retiring coal-fired plants, adding renewable power, and promoting energy conservation. The Trump alternative instead focuses on so-called heat-rate improvements that can be accomplished at individual power plants.

Senate Judiciary Announces Kavanaugh's Confirmation Hearing

While the Supreme Court remains adjourned until Monday, October 1, the Senate Judiciary Committee announced on Friday, August 10 that it will hold its confirmation hearing for Supreme Court nominee Brett Kavanaugh beginning September 4th. According to Senate Judiciary Committee Chairman Chuck Grassley (R-IA), hearings will likely last for 3-4 days, with a schedule as follows:

- September 4: Opening statements

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- September 5: Kavanaugh questioning begins
- Outside testimony to follow

Republicans want Kavanaugh on the bench as early as the first of October, before the court starts its next term. They've warned that they won't delay a final vote until after the midterm elections in November. The timeline means that the lawmakers will hold a hearing — and potentially full Senate vote — before the National Archives is able to fulfill Senate Judiciary Committee Chairman Chuck Grassley's request for documents from Kavanaugh's time as a White House lawyer.

The agency wrote to Grassley that it would not be able to complete the request, which it expects will total more than 900,000 pages, until late October. The documents would still need to go through a final review before being turned over to the committee.

Sen. Grassley noted that his staff has already reviewed 4,800 pages of judicial opinions Kavanaugh authored, as well as 125,000 pages from his White House work and more than 17,000 pages included as part of his questionnaire response.

Democrats such as Senate Minority Leader Charles Schumer (D-NY) and Sen. Dianne Feinstein (D-CA), the ranking member on the Senate Judiciary Committee, have started meeting with the Supreme Court nominee following the Senate reconvening on Wednesday, August 15.

Democrats plan to use the one-on-one meetings with President Trump's pick to press him on documents tied to his work in the George W. Bush White House, including his three years as staff secretary, and "question him about their contents."

In addition to questioning Kavanaugh on issues like health care and executive authority — two areas Democrats have seized on in the Supreme Court fight — they will ask Mr. Kavanaugh to support releasing his files from his work in the Bush administration. The new Democratic strategy comes as most members of the caucus have held off meeting with him as they press for a deal on getting access to documents from his time as staff secretary in the Bush White House.

President Donald Trump Calls for Work Requirements in Farm Bill

President Trump on Thursday, August 2 urged House and Senate lawmakers to adopt strict work requirements for food stamps when they craft a merged farm bill. The legislation would reauthorize commodity, trade, agricultural research, rural development and food and nutrition programs.

Both the House and Senate passed their respective farm bills in June and are continue to conference to resolve differences between the two versions of the bill. However, the House bill imposes new work requirements on the food stamps program and tightens overall eligibility on who can qualify for the federal assistance.

Conservatives have seized on the work requirement provisions as key to a final version of the farm bill.

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The House version would require all adults aged 18 to 59 to work at least 20 hours a week or be enrolled in a training program in order to receive Supplemental Nutrition Assistance Program (SNAP) benefits.

The work requirements are projected to cut SNAP enrollment by up to 1 million people and would decrease spending on SNAP by \$20 billion over 10 years, according to the Congressional Budget Office.

The California State Association of Counties and the County Welfare Directors Association of California warned in a letter to Congress that the proposal would have exactly the opposite of the intended effect, by imposing punitive penalties that undercut efforts already underway to help food stamp recipients find and keep jobs.

Conferees will also need to address an amendment added to the House measure that would repeal the Obama-era “Waters of the U.S.” (WOTUS) rule that determines which bodies of water fall under the Environmental Protection Agency’s jurisdiction. The provision was added by an amendment offered by Representative Jim Banks (R-IN). As discussed above, similar amendments have also been added to appropriations measures in previous fiscal years, and in this year’s appropriations measures as well. Previously these measures have been dropped in conference negotiations. It is unlikely the Senate Farm bill conferees will support the measure, as it would jeopardize the prospects of the conference report passing the Senate.

The House version of the farm bill (H.R. 2) would eliminate the Conservation Stewardship Program (CSP) and fold elements of it into the Environmental Quality Incentives Program (EQIP) as stewardship contracts. It would place a cap, instead of a minimum, on the amount of total funding that must go to stewardship contracts within EQIP. Both programs support conservation practices on land used for agricultural production. That differs from the Senate-passed version of H.R. 2, which would reauthorize CSP and EQIP and wouldn’t cut total conservation funding.

Before the current farm bill expires on Sunday, September 30, House and Senate conferees will sit down and try to put the finishing touches on a new, thousand-page bill that speaks to all aspects of the nation’s agriculture policy, from farm subsidies to crop insurance to conservation programs. But the legislation, now nearly four years in the making, could be derailed by work requirements in SNAP.

The Senate Agriculture Committee Chairman Pat Roberts has shared the full farm bill conference committee will hold its first public meeting Wednesday, September 5.

California Blazes Put Strain on Cash-Strapped Forest Service

The U.S. Forest Service is running low on funding to fight wildfires as more than a million acres burn throughout California and other parts of the West.

Yet, at this time, lawmakers have not introduced a supplemental appropriations bill to provide more federal funds to contain the blazes. Administration officials instead are preparing to shift as much as \$555 million out of accounts meant to fund land acquisition, road building, forest restoration and brush clearing, among other activities, in order to keep paying crews to contain the fires.

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The agency, which leads wildfire containment, had \$114 million left in its firefighting account as of August 13, after spending about \$82 million in the week leading up to that date. The agency had initially more than \$1.9 billion available for fire suppression this year. That figure includes \$1.6 billion from the fiscal 2018 omnibus in addition to funding that wasn't spent in previous years.

California's Mendocino Complex Fire, about 100 miles northeast of San Francisco, is the largest wildfire in the state's history, covering 363,845 acres -- more than 550 square miles -- and was only 63 percent contained, according to the National Wildfire Coordinating Group's InciWeb. Almost 1.8 million acres of wildfires were still burning in 15 states as of Tuesday, August 14, according to the National Interagency Fire Center.

Twenty-five House members from California asked President Donald Trump in a letter for a major disaster declaration, which would allow the Federal Emergency Management Agency to support recovery efforts for several fires around the state. President Trump declared a disaster in July for the areas affected by the Carr Fire, west of Redding, California.

California's Jerry Brown Considers Logging Rules

California Governor Jerry Brown is proposing sweeping new legislation that would make it easier for private landowners to cut down trees on their land as the state deals with one of its worst wildfire seasons in years.

Gov. Brown's plan would allow landowners living on property of 300 acres or less to cut down trees with up to a 36-inch diameter without a permit. The current regulation ends at 26 inches in diameter.

Additionally, owners would be able to build private roads up to 600 feet long without getting a permit first as long as they are maintained.

The idea is to let landowners help thin forests to decrease the spread of fires. Gov. Brown's proposal follows Interior Secretary Ryan Zinke and Agriculture Secretary Sonny Perdue's visit to the state, where both Cabinet members pushed increased forest management as a way to hinder future fires.

President Donald Trump also addressed the need for logging and forest management in a tweet, saying, "Must also tree clear to stop fire from spreading!"

A number of California politicians at the time of the secretaries' visit pushed back on the insinuation that fires could be thwarted through increased thinning, arguing that it was meant to benefit the logging industry and overlooked climate change's impact on the fires.

The proposal has the support of the timber industry but not environmentalist groups, some of whom argue that logging will aid the spread of fires because it will cut down the mature trees that burn longer.

Trade Talks Continue on Several Fronts

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U.S. and Chinese officials resumed trade talks last week amid rising trade tensions between the top two global economies.

The two days of meetings were held between mid-level officials from both countries to set a framework for future negotiations. These were the first formal discussions since Commerce Secretary Wilbur Ross met Chinese economic adviser Liu He in June.

In the event that these discussions go poorly, both countries are preparing to hit each other with new tariffs, as their trade dispute continues.

President Trump has threatened to smack tariffs on almost all of the \$500 billion of Chinese annual exports to the U.S.

For now his plan to impose tariffs on imported foreign cars is expected to be delayed this month.

The administration has argued that auto imports pose a risk to national security. Section 232 of the trade law gives administrations broad authority to impose tariffs on imported items that the Commerce Department deems are a threat to national security, and Ross is legally obligated to issue the report on imported cars by mid-February under a request the Administration submitted in May.

The President imposed steep tariffs on imported aluminum and steel under the same national security rationale earlier in the year, but recently doubled tariffs on Turkey amid an ongoing dispute over an American pastor imprisoned there. He also waived tariffs for countries such as South Korea after it agreed to tweak portions of its trade deal with the U.S.

The threat of auto tariffs could play a significant role in Trump's attempt to renegotiate NAFTA with Canada and Mexico, where the supply chains and markets for auto industries are heavily intertwined with the U.S.

On Monday, August 27 President Trump said the United States and Mexico had reached agreement to revise key portions of the North American Free Trade Agreement (NAFTA) and would finalize it within days, suggesting he was ready to jettison Canada from the trilateral trade pact if the country did not get on board quickly.

Speaking from the Oval Office on Monday, August 27 the President touted the preliminary agreement with Mexico as a new trade pact that could replace NAFTA and threatened to hit Canada with auto tariffs if it did not "negotiate fairly."

The U.S. and Mexico agreed to increase regional automotive content to 75 percent from the current 62.5 percent in NAFTA—with 40 to 45 percent of production by workers earning at least \$16 per hour. They agreed to review the deal after six years, softening a demand by the U.S. for a clause to end the pact after five years unless it's renewed by all parties. Duty-free access for agricultural products will remain in place.

No deal has been reached yet with Canada which has been on the sidelines of the talks since July as Mexico and the U.S focused on settling its differences first. Senators John Cornyn (R-TX) and Orrin Hatch (R-UT) in separate statements called the new accord a positive step, but said the final trade agreement ought to include Canada.

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John McCain, War Hero and Giant of the Senate

Senator John McCain(R-AZ), a giant of the Senate who survived years as a prisoner of war in Vietnam to become a leading actor on the political stage for decades, died Saturday at the age of 81.

In a statement, Sen. McCain's office wrote that the Arizona senator died at 4:28 p.m., where he was accompanied by his wife, Cindy, and their family.

"At his death, he had served the United States of America faithfully for sixty years," Sen. McCain's office wrote.

Sen. McCain's death from brain cancer came more than a year after he announced he had the condition in July of 2017.

His family announced Friday, August 24 that he had chosen to discontinue medical treatment for an aggressive glioblastoma because the "progress of disease and the inexorable advance of age" had rendered "their verdict."

The news prompted an outpouring of tribute and sympathy from Republicans and Democrats alike, a testament to the respect Sen. McCain built among colleagues in both parties despite his habit of calling them out during clashes over politics and policy.

Sen. McCain has been absent from the Senate this year and cast his last vote on December 7. Before he left, treatment has forced him to use a wheelchair in his final days in Washington. But that did nothing to move the political spotlight from the Arizona Republican, whose maverick reputation was underlined in his final months in office.

For six terms in the Senate, he was full of surprises and saw his life's purpose as duty to country.

During one of his final appearances in the Senate chamber, a late-night December vote on the Senate tax bill, colleagues came over to him one by one while he sat in his wheelchair on the edge of the floor to express thanks for his service and personal feelings of affection and admiration.

Sen. McCain was a favorite among colleagues and reporters on Capitol Hill because of his humor, his practical sense, his willingness to work with adversaries and his obvious love for the nation.

Outlook for the Coming Month

Lawmakers will continue to race to pass as many spending bills as possible as the new fiscal year rapidly approaches. Adding to the time crunch, there are only 11 days when both chambers will be in session prior to the end of the fiscal year.

Congress has until Sunday, September 30 to fund the government in order to prevent a shutdown.

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President Donald Trump has said he is willing to shut down the government if he does not get \$5 billion for a border wall and fencing, in addition to policy measures ending family-based immigration.

Conversely, Senators have also said Congress may have enough support to override a veto, if the President aimed to block either a full fiscal 2019 spending package or a stopgap measure to keep the government running. It takes a two-thirds vote in each chamber to override a veto.

While most appropriations bills have passed both chambers, the Homeland Security, Commerce-Justice-Science and State-Foreign Operations bills, which account for about 13 percent of all federal discretionary spending for fiscal 2019, continue to languish.

Critical pieces of legislation continue to be debated as each chamber faces a short time to pass key pieces of legislation. Included in this:

- FY19 Appropriations bills;
- Farm Bill Reauthorization;
- The Water Resources Development Act; and
- Federal Aviation Administration Reauthorization.

INFORMATION
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Date: August 30, 2018
To: Inland Empire Utilities Agency
From: John Withers, Jim Brulte
Re: August Activity Report

This month Senator Brulte and John Withers held their monthly meeting on August 6th with the senior staff of the agency to discuss various District activities.

1. Regional Contract

-The revised scope was accepted by the TAC and approved by IEUA BOD for activities through 2019. The Kearns & West team will be meeting 4-5 half days per month on the project with participants.

2. Chino Basin Water Bank

-Phase 1 Scope was completed
-Arcadis developed Framework White Paper for Water Bank
-Workshop #3 to be held on 8/20

3. USBR Grant Award

-Applied for a USBR Grant of \$400K through WaterSmart Program

**INFORMATION
ITEM
2D**

State Legislation

Bill Number	Sponsor	Title and/or Summary	Summary/Status	IEUA Position
AB 1668	Friedman	An Act Relating to Water	This bill would state the intent of the Legislature to enact legislation necessary to help make water conservation a California way of life.	SUPPORT Signed by Governor
AB 1654	Rubio	An Act Relating to Water	This bill would state the intent of the Legislature to enact legislation necessary to help make water conservation a California way of life. Bill gutted and now has nothing to do with water.	WATCH Senate Natural Resources and Water
AB 1876	Frazier	Sacramento-San Joaquin Delta: Delta Stewardship Council	The Sacramento-San Joaquin Delta Reform Act of 2009 establishes the Delta Stewardship Council, which consists of 7 members, and requires the council to develop, adopt, and commence implementation of a comprehensive management plan for the Delta, known as the Delta Plan. This bill would increase the membership of the council to 13 members, including 11 voting members and 2 nonvoting members, as specified.	OPPOSE DEAD
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 DEAD
AB 3037	Chiu	Community Redevelopment Law of 2018	Would authorize a city or county to propose the formation of a redevelopment housing and infrastructure agency by adoption of a resolution of intention that meets specified requirements, and providing that resolution to each affected taxing entity. The bill would require the city or county that adopted that resolution to hold a public hearing on the proposal to consider all written and oral objections to the formation, as well as any recommendations of the affected taxing entities, and would authorize that city or	WATCH, and work with CSDA Died on Suspense

AB 1778	Holden	Transit-Oriented Redevelopment Law of 2018	Current law dissolved redevelopment agencies as of February 1, 2012, and designates successor agencies to act as successor entities to the dissolved redevelopment agencies. This bill, the Transit-Oriented Redevelopment Law of 2018, would authorize a city or county to propose the formation of a redevelopment agency by adopting a resolution of intention that meets specified requirements, and submitting that resolution to each affected taxing entity and to each owner of land within the district.	WATCH Asm. Local Gov. Never heard in policy committee DEAD
AB 327	Gibson	South Coast Air Quality Management District: Fleets	Would authorize the governing board of the south coast district to adopt rules and regulations that require specified operators of public and commercial fleet vehicles consisting of 15 or more vehicles to purchase the cleanest commercially available vehicles, as defined, that will meet the operator's operational needs; to require the replacement of no more than 15% of existing vehicles per calendar year, as specified; and to require those cleanest commercially available vehicles to be operated, to the maximum extent feasible, in the south coast district.	WATCH Sen Trans. & Housing Failed in committee
SB 998	Dodd	Discontinuation of residential water service: urban and community water systems	Would require an urban and community water system, defined as a public water system that supplies water to more than 200 service connections, to have a written policy on discontinuation of water service to certain types of residences for nonpayment available in prescribed languages. The bill would require the policy to include certain components, be available on the system's Internet Web site, and be provided to customers in writing, upon request.	OPPOSE Governor's Desk
SB 120	Roth	Water conveyance: use of facility with unused capacity	This bill would, notwithstanding that provision, prohibit a transferor of water from using a water conveyance facility that has unused capacity to transfer water from a groundwater basin underlying desert lands, as defined, that is in the vicinity of specified federal lands or state lands to outside of the groundwater basin unless the State Lands Commission, in consultation with the Department of Fish and Wildlife, finds that the transfer of the water will not adversely affect the natural or cultural resources of those federal and state lands.	OPPOSE DEAD

INFORMATION
ITEM
2E

Federal Legislation of Significance

Bill Number	Sponsor	Title and/or Summary	Summary/Status
H.R. 8/ S.2800	Rep. Bill Shuster(R-PA)/ Sen. John Barrasso (R-WY)	Water Resources Development Act/ America's Water Infrastructure Act of 2018	<p>The bill authorizes proposed U.S. Army Corps of Engineers civil works activities and provides reforms to the Corps. WARDA authorizes locally driven, but nationally vital, investments in the Nation's water resources infrastructure. It strengthens economic growth and competitiveness, helps move goods throughout the country and abroad, and protects our communities.</p> <p>The legislation passed the House on June 6, 2018 by a vote of 408 to 2. It was received in the Senate and placed on the Senate Legislative Calendar under General Orders.</p> <p>The Senate version of the bill, America's Water Infrastructure Act of 2018 was introduced in May 8, 2018. The legislation was marked and reported favorably out of committee on Tuesday, May 22, 2018. Senator Barrasso filed a written report to accompany the bill on July 10, 2018. However, concerns remain that the bill would increase the national deficit and is now being reviewed to limit the scope of the legislation.</p>
H.R.5895	Rep. Mike Simpson (R-ID)	Fiscal 2019 Energy and Water Development, Legislative Branch, and MilCon-VA Appropriations "Minibus"	<p>Provides FY2019 appropriations for U.S. Army Corps of Engineers civil works projects, the Department of the Interior's Bureau of Reclamation, the Department of Energy (DOE), and independent agencies such as the Nuclear Regulatory Commission. The legislative branch section, would provide additional funds for the Office of Compliance for training and higher caseloads. The office handles workplace protection complaints for the legislative branch. It also would block the automatic cost-of-living increase for members of Congress. The legislation would also appropriate funding for military construction and the Department of Veteran's Affairs.</p> <p>The legislation was passed in both the House and the Senate, and both chambers are conferencing together in order to reconcile discrepancies between each chambers version.</p>
H.R. 6147	Rep. Ken Calvert (R-CA)	Fiscal 2019 Interior-Environment, Financial Services	<p>The legislation includes funding for the Department of the Interior, the Environmental Protection Agency (EPA), the Forest Service, the Indian Health Service, and various independent and related agencies. These funds are targeted to important investments</p>

		Appropriations "Minibus"	<p>in the nation's natural resources, including \$3.4 billion for the Department of the Interior and U.S. Forest Service to prevent and combat devastating wildfires.</p> <p>The legislation also contains several policy provisions to rein in unnecessary regulations at the EPA and other agencies. The Financial Services bill would provide funding for the United States Department of the Treasury, as well as the United States federal courts, the Executive Office of the President of the United States,</p> <p>The legislation was passed in both the House and Senate and both chambers are conferencing together in order to reconcile discrepancies between each chambers version.</p>
H.R. 5609	Rep. Keith Ellison (D-MN)	Water Affordability, Transparency, Equity, and Reliability Act of 2018	<p>The legislation would establish a trust fund to provide for adequate funding for water and sewer infrastructure, and for other purposes.</p> <p>The bill was referred to the Subcommittee on Commodity Exchanges, Energy, and Credit on Tuesday, May 22, 2018 and no further action has been taken.</p>
H.R. 5003	Rep. Randy Hultgren (R-IL)	To amend the Internal Revenue Code of 1986 to reinstate advance refunding bonds	<p>The legislation was referred to the House Committee on Ways and Means on Tuesday, February 13, 2018 and no further action has been taken.</p>
H.R.4902/ S. 2364	Rep. John Katko (R-NY)/ Sen. John Boozman (R-WY)	Securing Required Funding for Water Infrastructure Now Act	<p>The legislation would amend the Water Infrastructure Finance and Innovation Act of 2014 to provide to State infrastructure financing authorities additional opportunities to receive loans under that Act to support drinking water and clean water State revolving funds to deliver water infrastructure to communities across the United States.</p> <p>The bill was referred to the Subcommittee on Water Resources and Environment on January 31, 2018, and the Subcommittee on Environment on February 2, 2018. No further action has been taken.</p> <p>The Senate version of the bill, which would amend WFIA in the same manner, was introduced on Tuesday, January 30, 2018 and was referred to the Committee on Environment and Public Works.</p>
S.2329	Sen. John Hoeven (R-ND)	Water Infrastructure Finance and Innovation Reauthorization Act of 2018	<p>This measure is designed to spur investments in water project development across the nation by supplementing federal funding of water infrastructure projects — including wastewater treatment, flood control and storm water management — with long-term, low-cost loans and loan guarantees, reauthorize and amend the Water Infrastructure Finance and Innovation Act of 2014, and double the Environmental Protection</p>

			<p>Agency's fiscal year 19 WIFIA authorization to \$90 million and extend the program for five years, through 2024.</p> <p>The legislation was introduced Tuesday, January 23, 2018 was referred to the Committee on Environment and Public Works</p>
H.R.4492	Rep. Brian Mast (R-FL)	Water Infrastructure Finance and Innovation Reauthorization Act of 2017	<p>H.R. 4492 is a companion bill to S.2329 and would spur investments in water project development across the nation by supplementing federal funding of water infrastructure projects.</p> <p>This bill was introduced Thursday, November 30, 2017, and was referred to the Subcommittee on Water Resources and Environment, and the Subcommittee on the Environment.</p>
H.R. 5127	Rep. Grace Napolitano (D-CA)	Water Recycling Investment and Improvement Act	<p>The legislation would assist water agencies with the expansion, planning, designing, and building of water recycling plants and modernizing water infrastructure by making changes to the WIIN Act Title XVI water recycling and reuse program by removing the requirement of funding projects that are in drought or disaster areas, increasing the authorization from \$50 million to \$500 million, making the program permanent rather than sun-setting in 2021, and taking away the requirement that the projects need to be designated in an appropriations legislation.</p> <p>The bill was introduced on Tuesday, February 27, 2018, and was referred to the Subcommittee on Water Resources and Environment, and the Subcommittee on Water, Power, and Oceans.</p>
H.R. 3711	Reps. Lamar Smith (R-TX)/Ken Calvert (R-CA) /Bob Goodlatte (R-VA)	Legal Workforce Act	<p>A bill that would require all U.S. employers to use the E-Verify electronic employment verification system. The requirement would be phased over a two-year period, starting with the largest employers. The agriculture industry would have an additional six months (or 30 months total) to come into compliance.</p> <p>H.R. 3711 was referred to the Committee on the Judiciary, and in addition to the Committees on Ways and Means, and Education and the Workforce on Friday, September 8th. On Wednesday, September 27th, H.R.3711 was referred to Judiciary Subcommittee on Immigration and Border Security. Judiciary Committee Consideration and Mark-up Session was held on Wednesday, October 25th. H.R. 3711 was ordered and reported (amended) by the yeas and nays: 20-10 on October 25, 2017.</p>

H.R. 23	Rep. David Valadao (R-CA)	Gaining Responsibility on Water Act of 2017	<p>Among other things the legislation would require regulators to comply with the Bay-Delta Accord and make changes to the state's Central Valley and State Water projects and streamline permitting processes. The bill included provisions from multiple other bills previously passed by the House that sought to increase the flow of water to areas of California that have experienced drought over the past five years. The measure was referred to the House Committee on Natural Resources and the Committee on Agriculture.</p> <p>By a vote of 230-190, the House passed H.R. 23, as amended, on July 12, 2017. H.R. 23 was received in Senate, read twice and referred to the Committee on Energy and Natural Resources on July 18, 2017.</p>
H.R. 4/ S.1405	Rep. Bill Shuster (R-PA)/ Sen. John Thune (R-SD)	FAA Reauthorization Act of 2018/ Federal Aviation Administration Reauthorization Act of 2017	<p>Among other issues this legislation would reauthorizes the Federal Aviation Administration for five years. Among other things the FAA reauthorization funds aviation programs, Airport Planning and Development and Noise Compatibility Planning and Programs and authorizes FAA's Airport Improvement Program (AIP) account at \$3.350 billion annually for each of fiscal years 2018-2023.</p> <p>By a vote of 393 – 13, the House passed H.R.4. The Senate has received the bill and placed it on the Senate Legislative Calendar under General Orders.</p> <p>The Senate version of the bill was favorably reported out of the Committee on Commerce, Science, and Transportation on May 5, 2018 and was then placed on the Senate Legislative Calendar.</p>
H.R. 1663	Rep. Grace Napolitano (D-CA) / Rep. Rob Wittman (R-VA)	Water Resources Research Amendments Act	<p>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 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 referred to the Subcommittee on Water, Power and Oceans on March 27, 2017.</p>
H.R. 497/ S.357	Rep. Paul Cook (R-CA)/ Sen. Dianne Feinstein (D-CA)	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</p>

			<p>exchange for such land, to accept from the Conservation District a conveyance of approximately 310 acres of its land.</p> <p>On April 27th H.R. 497 passed through the House Natural Resources Committee by unanimous consent and was scheduled for the House Floor Consideration on June 2nd.</p> <p>This bill was passed by the House on June 27th by a vote of 424-0. The bill was referred to the Senate Committee on Energy and Natural Resources on June 28th and no further action has been taken.</p> <p>The Senate Environment and Public Works Committee held a hearing on S. 357 on July 26, 2017.</p> <p>On May 15, 2018 the Senate Committee on Energy and Natural Resources ordered H.R. 497 to be reported without amendment favorably.</p> <p>On August 15, 2018 Senator Murkowski from the Senate Committee on Energy and Natural Resources filed a written report to accompany H.R. 497.</p>
S. 32	Sen. Dianne Feinstein (D-CA)	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> <p>The Senate Environment and Public Works Committee held a hearing on S.32 on July 26, 2017.</p>

			H.R. 857, California Off-Road Recreation and Conservation Act, is a similar bill and largely aims to address similar issues.
H.R. 2510	Rep. Peter DeFazio (D-OR)	Water Quality Protection and Job Creation Act of 2017	<p>This bill would amend the Federal Water Pollution Control Act to authorize appropriations for State water pollution control revolving funds.</p> <p>This bill was introduced on May 19, 2017 and was referred to the Subcommittee on Water Resources and Environment.</p>
H.R. 1654	Rep. Tom McClintock (R-CA)	Water Supply Permitting Coordination Act	<p>This bill would allow water project sponsors the opportunity to use an expedited permitting process for new or expanded surface non-federal storage facilities through the Bureau of Reclamation, which would be the lead and central agency coordinating the review process.</p> <p>The House Natural Resources Committee approved the bill by a vote of 24-16 on April 27. The House Rules Committee on June 20th dictated final amendments for passage on the House Floor; this bill passed the House on June 22 by a vote of 233-180. H.R. 1654 was referred to the Senate Committee on Energy and Natural Resources on June 26 and no further action has been taken.</p>