



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

**WEDNESDAY, JULY 10, 2019
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 three 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 June 12, 2019.

2. INFORMATION ITEMS

A. PUBLIC OUTREACH AND COMMUNICATION (WRITTEN)

B. STATE LEGISLATIVE REPORT AND MATRIX – WEST COAST ADVISORS (WRITTEN)


C. FEDERAL LEGISLATIVE REPORT AND MATRIX – INNOVATIVE FEDERAL STRATEGIES (WRITTEN)

D. CALIFORNIA STRATEGIES MONTHLY REPORT (WRITTEN)

3. GENERAL MANAGER'S COMMENTS
4. COMMITTEE MEMBER COMMENTS
5. COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS
6. ADJOURN

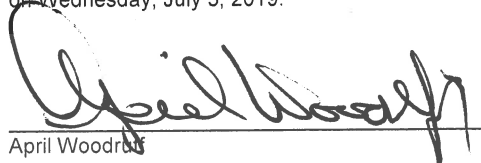
*A Municipal Water District

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.

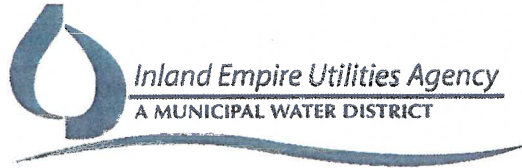
Proofed by: 

DECLARATION OF POSTING

I, April Woodruff, Board Secretary/Office Manager 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 Wednesday, July 3, 2019.


April Woodruff

**ACTION
ITEM
1A**



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

**WEDNESDAY, JUNE 12, 2019
9:00 A.M.**

COMMITTEE MEMBERS PRESENT

Paul Hofer, Chair
Kati Parker

COMMITTEE MEMBERS ABSENT

Jasmin Hall

STAFF PRESENT

Shivaji Deshmukh, General Manager
Kathy Besser, Executive Manager of External Affairs & Policy Development/AGM
Randy Lee, Executive Manager of Operations/AGM
Christina Valencia, Executive Manager of Finance & Administration/AGM
Andrea Carruthers, Manager of External Affairs
Warren Green, Manager of Contracts and Procurement
Cathleen Pieroni, Manager of Government Relations
Matthew Poeske, Construction Project Manager
Teresa Velarde, Manager of Internal Audit
April Woodruff, Board Secretary/Office Manager

OTHERS PRESENT

Eric Grubb, CVWD

The meeting was called to order at 9:08 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 April 10, 2019.

Manager of Government Relations Cathleen Pieroni stated there were revisions to the original recommendation due to fast moving legislative changes. Ms. Pieroni stated that AB 217 (E.Garcia) has been removed, while SB 45 (Allen) and SB 1 (Atkins, Porantino, Stern) have been added to the recommendations. She suggested splitting the bills into two items – one for the Consent Calendar and one for Action.

- ◆ Recommended that the Board adopt the following positions:

1. Oppose for AB 756 (C.Garcia);
2. Support for AB 841 (Ting);
3. Support for AB 1588 (Gloria);
4. Support if Amended for SB 667 (Hueso); and

as a Consent Calendar Item on the June 19, 2019 Board meeting agenda.

- ◆ Recommended that the Board adopt the following positions:

1. Support for SB 200 (Monning);
2. Support for SB 414 (Caballero);
3. Support for ACA 1 (Aguiar-Curry);
4. Support if Amended for SB 45 (Allen);
5. Oppose unless Amended for SB 1 (Atkins, Portantino, and Stern);

as an Action Item on the June 19, 2019 Board meeting agenda

- ◆ Recommended that the Board adopt a support position on:

1. HR 1162 (Napolitano) – The Water Recycling Investment and Improvement Act;
2. HR 1764 (Garamendi) – To amend the Federal Water Pollution Control Act with respect to permitting terms; and
3. HR 2313 (Huffman) – Water Conservation Rebate Tax Parity Act;

as a Consent Calendar Item on the June 19, 2019 Board meeting agenda.

INFORMATION ITEMS

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

- ◆ Public Outreach and Communications
- ◆ State Legislative Report and Matrix – West Coast Advisors
- ◆ Federal Legislative Report and Matrix – Innovative Federal Strategies
- ◆ California Strategies Monthly Report

GENERAL MANAGER'S COMMENTS

General Manager Shivaji Deshmukh stated that as a result of a joint ad hoc meeting held on June 5, 2019, a resolution will be brought forth in support of updating the Chino Basin Optimum Basin Management Program at the June 19 Board meeting.

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, President Hofer adjourned the meeting at 9:56 a.m.

Respectfully submitted,

April Woodruff
Board Secretary/Office Manager

*A Municipal Water District

APPROVED: JULY 10, 2019

Draft

**INFORMATION
ITEM
2A**



Date: July 17, 2019

To: The Honorable Board of Directors
Committee: Community & Legislative Affairs

From: Shivaji Deshmukh, General Manager
07/10/19

Executive Contact: Kathy Besser, Executive Manager of Ext. Aff. & Policy Dev./AGM
Subject: Public Outreach and Communication

Executive Summary:

July is recognized as Smart Irrigation Month - IEUA staff will be promoting Smart Irrigation Month in July. Hose nozzles will be available for residents within IEUA's service area. Residents will be given the opportunity to follow IEUA on one of the Agency's social media platforms in order to receive an outdoor water saving kit. Marketing and outreach focused on smart irrigation tips will be distributed through a press release, social media and advertisements.

IEUA's Water Discovery Field Trip Program for school year 2018/2019 was successful: 104 schools made reservations and 5,121 students participated in the program.

Student and Community Earth Day videos can be viewed on IEUA's YouTube channel.

Staff's Recommendation:

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

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

Account/Project Name:

Fiscal Impact (explain if not budgeted):

Prior Board Action:

N/A

Environmental Determination:

Statutory Exemption

N/A

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

July

- July, Smart Irrigation Month
- July 1, Automatic Water Softener Presentation, Rotary Club of Fontana, 12:00 p.m. – 1:30 p.m., Sierra Lakes Golf Club: 16600 Clubhouse Drive, Fontana
- July 23, Water Education Water Awareness Committee (WEWAC) Presentation for Digital Art Contest – First Place Winner from Los Osos High School; CVWD Board Meeting, 6:00 p.m., CVWD Board Room: 10440 Ashford Street, Rancho Cucamonga

August

- August 7, Blood Drive, 8:00 a.m. – 1:00 p.m., HQB Event Room
- August 9, San Bernardino County Water Conference, 7:30 a.m. – 9:00 a.m. (Registration, Breakfast and Networking); 9:00 a.m. – 1:00 p.m. (Conference), DoubleTree Hotel-Ontario: 222 North Vineyard Avenue, Ontario

Media and Outreach

- IEUA staff will be promoting *Smart Irrigation Month* in July. Hose nozzles will be available for residents within IEUA's service area. Residents will be given the opportunity to follow IEUA on one of the Agency's social media platforms in order to receive an outdoor water saving kit. Marketing and outreach focused on smart irrigation tips will be distributed through a press release, social media and advertisements.
- IEUA staff hosted an External Affairs Workgroup meeting on June 26 with member agency representatives to discuss communication needs, both area-specific and regional. Staff is working with members to develop a communication toolkit focused primarily on the region's water-use efficiency programs.
- Staff is working on the development of an Agency video that features Regional Water Recycling Plant No. 5 and highlights the treatment process.
- A *Kick the Habit* ad ran in the *Champion's Healthy Living* section on June 15.
- A *Kick the Habit* ad ran in the *Daily Bulletin* on June 23.
- A *Smart Irrigation Month* ad ran in the *Daily Bulletin* on June 30.
- A *Smart Irrigation Month* ad will run in the *La Opinion* on July 19.
- The *Kick the Habit* digital banner ad continues to run in the *Fontana Herald News*.
- Student and Community Earth Day videos can be viewed on IEUA's YouTube channel.
- June: 13 posts were published to the IEUA Facebook page, 13 posts were published to IEUA's Instagram and 13 tweets were sent on the @IEUAwater Twitter handle.
 - The top three Facebook posts, based on reach and engagement, in the month of June were:
 - 6/19: Fun groundwater facts!
 - 6/4: Board Meeting
 - 6/20: Construction Management training

- The top three tweets, based on reach and engagement, in the month of June were:
 - 6/19: Fun groundwater facts!
 - 6/20: Construction Management training
 - 6/17: IEUA is hiring
- The top three Instagram posts, based on reach and engagement, in the month of June were:
 - 6/19: Fun groundwater facts!
 - 6/13: IEUA is hiring
 - 6/20: Construction Management training

For the month of June, there were 7,991 searches for a park in IEUA's service area on Yelp, where Chino Creek Wetlands and Education Park was viewed 688 times on a mobile device.

Education and Outreach Updates

- IEUA's Water Discovery Field Trip Program for school year 2018/2019 was successful: 104 schools made reservations and 5,121 students participated in the program.
- Staff is currently reviewing Garden in Every School® applications. Schools will be notified of their application status by mid-July.

Association Membership Activities

- 6/18/19: Director Steve Elie and Randy Lee attended the NWRI Annual Board of Directors Work Plan & Budget Meeting.

**INFORMATION
ITEM
2B**



June 27, 2019

To: Inland Empire Utilities Agency

From: Michael Boccadoro
Beth Olhasso
Maddie Munson

RE: June Report

Overview:

The final State Water Project Allocation number has come in at 75 percent. The initial November allocation was 10 percent. Reservoirs remain well above average for this time of year and only four percent of the state is experiencing abnormally dry conditions.

The first state agency to hold a public meeting on the Governor's Executive Order directing state agencies to create a Water Resilience Portfolio was held by the California Water Commission. The panel of presenters included representatives from the Public Policy Institute of California, UC Santa Barbara and River Partners. Their focus was on how climate change is affecting water supply, and what the state can do about it. They all offered broad suggestions about regional cooperation and increasing groundwater storage, but there was very little discussion about actual concepts to be included in the portfolio. They will hold another listening session in August.

The most significant water legislation still pending before the Legislature is Senate Bill 1. The measure seeks to backstop federal environmental rollbacks. SB 1, by President pro Tem Toni Atkins (D-San Diego), is facing some serious opposition by a strong coalition of water, business and agricultural interests, including the State Water Contractors, MWD, the California Chamber of Commerce, the California Farm Bureau Federation, and others. The concern is that the bill could freeze regulations and permits in place as of January 2017. If this were to occur, the voluntary settlement agreements (VSAs) between the state, water users and the environmental community that have been in the works for many months would fall apart. The VSAs are important to state water contractors because they are an alternative to the unimpaired flows proceedings that preceded the VSAs at the State Water Resources Control Board. Because this is a priority bill of the pro Tem's, it is especially difficult.

The FY 2019-2020 budget was passed by the Legislature, but there are still some lingering issues being worked out in the trailer bill process. The big news is that the Safe and Affordable Drinking Water issue seems to be near completion. The final agreement is for a \$130 million continuous appropriation from the Greenhouse Gas Reduction Fund (GGRF), however the implementing legislation to create the funds must still be passed.

The legislature is in the final push to meet the second house policy committee deadline, July 12, before they go on a month-long recess. They will return on August 12 for four weeks of session before adjourning until January.

Inland Empire Utilities Agency Status Report – June 2019

Water Supply Conditions

U.S. Drought Monitor California

June 18, 2019

(Released Thursday, Jun. 20, 2019)

Valid 8 a.m. EDT



Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	95.68	4.32	0.00	0.00	0.00	0.00
Last Week 06-11-2019	95.68	4.32	0.00	0.00	0.00	0.00
3 Months Ago 03-19-2019	93.42	6.58	0.00	0.00	0.00	0.00
Start of Calendar Year 01-01-2019	7.77	92.23	75.17	14.12	2.10	0.00
Start of Water Year 09-25-2018	12.18	87.82	47.97	22.82	4.94	0.00
One Year Ago 06-19-2018	30.37	69.63	37.07	20.75	2.77	0.00

Intensity

- None
- 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

Brad Pugh
CPC/NOAA



droughtmonitor.unl.edu

The Department of Water Resources (DWR) recently increased the 2019 State Water Project (SWP) allocation to 75 percent from 70 percent. This is the final allocation for the calendar year. The initial allocation in November 2018 was 10 percent.

California’s reservoirs continue to remain above their historical average thanks to the more than 30 atmospheric rivers since the start of the water year. Earlier this month, the statewide Sierra snowpack was 202 percent of normal. It’s California’s fifth largest snowpack dating back to 1950.

Lake Oroville, the SWP’s largest reservoir, is currently at 98 percent of capacity and 118 percent of average for this time of year.

Even in wet years, a 100 percent allocation is rare due to Delta pumping restrictions to protect threatened and endangered fish species. The last time the Project was able to allocate 100 percent was 2006.

The 2019 allocation of 75 percent amounts to 3,145,105 acre-feet of water.

Last year at this time, about 70 percent of the state was experiencing abnormally dry conditions. This year, that number is only 4 percent of the state in dry conditions.

CA Water Commission Conducts Listening Session on Water Resilience Portfolio

The first state agency to hold a public meeting on the Governor's Executive Order directing state agencies to create a Water Resilience Portfolio was held by the California Water Commission. The Director of the Governor's Water Portfolio Program, Nancy Vogel, offered no detail on an outline of the plan or any specific topics to be discussed. She was in attendance to listen to stakeholders.

The Public Policy Institute of California (PPIC) was the first panelist and focused on the effects of climate change on California water supply and management. They cited, and used the same presentation, from their September 2018 report "Managing Drought in a Changing Climate." Their recommendations include:

- Planning ahead for climate change at the local and regional levels by strengthening Urban Water Management Plans and Groundwater Sustainability Plans.
- Upgrading the water grid by improving capacity and conveyance and storage; modernize and integrate operations.
- Updating water allocation roles for equitable and efficient allocation during dry times and promote capture and storage during wet years. This includes controversial environmental water budgets.

John King from River Partners spoke about integrated flood management, mostly in the San Joaquin Valley.

Bob Wilkinson, professor emeritus from UCSB, offered broad comments aimed at framing considerations for developing resilience strategies. He focused on the benefits of multi-benefit approaches and asked the question if the goal is to get more water or is it funding ways to meet demands for water services in cost-effective, equitable ways while avoiding environmental impacts and restoring natural systems.

One of Chairman Quintero's significant points was the need for integrated water management. While he didn't specifically talk about the IRWM program, he talked extensively about the importance of regional collaboration.

The Water Commission will meet again in August for another listening session. Panelists have not been announced. Statewide organizations such as ACWA and WaterReuse are working on proposals to submit to the administration.

SB 1 (Atkins)

As previously reported, SB 1 by pro Tem Atkins, is an attempt to backstop any environmental regulations the Trump administration tries to roll back. The State Water Contractors and other water agencies have raised serious concerns about key provisions of the bill. A coalition of business (California Chamber of Commerce) and water interests has formed to try to secure amendments to address those concerns.

The main opposition argument is that the language would handcuff the CA Department of Fish and Wildlife (DFW) from being able to apply new science, new adaptive management practices or consider current hydrologic conditions, by locking in the current biological opinions, incidental take permits in

place as of January 19, 2017. It would also allow the state to add federally listed endangered species to the California Endangered Species Act, bypassing the whole public process.

Locking these permits in place would essentially end any discussion of voluntary settlement agreements (VSAs). The VSA process began after the State Water Resources Control Board issued a draft plan for 40 percent unimpaired flows on the San Joaquin River (a second phase would consider unimpaired flows on the Sacramento River). Massive backlash led to the start of talks to create VSAs. VSA talks have been fruitful and are close to completion. The VSAs will rely on a series of measures to sustainably manage flows, restore habitat and protect native species. If the 2017 rules are locked into place, the VSAs would fall apart and the state would have to start at the beginning the unimpaired flows process again.

The proponents of the bill, lead by the Defenders of Wildlife, are believed to be seeking these changes because they are unhappy with the VSAs and because they would like to get two species, orca whales and steelhead trout, listed under the CA Endangered Species Act.

Because this bill is by the pro Tem, and clearly a top priority for her as it is the first bill introduced in the year, opponents know that defeating the bill is unlikely. The oppose unless amended coalition, including MWD, ACWA and the State Water Contractors, has offered a set of amendments that would take care of their opposition without compromising the pro Tem's goal of protecting California from any rollback on environmental regulations. The Newsom administration has gotten involved because of the implications for the VSAs and is trying to bring parties together to come up with a solution.

The bill is moving through the Assembly, with members asking some tough questions, but ultimately supporting the bill because it is a priority of the pro Tems. At this point in the legislative process it seems the only way to get the necessary changes is with the help of the administration, who has a vested interest in seeing the VSAs succeed.

Legislative Update

June was a busy legislative month with bills in their second house policy committees and the 2019-2020 budget passing before the June 15 deadline. Policy committees are feverishly meeting to report out bills ahead of the July 12 deadline, which coincides with the start of the month-long summer recess. When members come back on August 12, they will have exactly one month to finish business before the first year of the two-year session ends and members return to their districts until January.

Clean, Safe and Affordable Drinking Water:

One of the big-ticket negotiation items between the Senate, Assembly and the Governor was how to tackle the safe and affordable drinking water issue. As reported in previous reports, the Governor released a trailer bill language that closely follow SB 623 (Monning, 2018). The trailer bill language, similar to SB 623, included a \$00.95 per month charge on residential water customers, with the charge increasing for commercial and industrial customers. The proposal also included fees on agriculture and enforcement protection for ag. The Governor's trailer bill proposal was debated in both budget sub committees but neither house adopted that option.

The Senate passed a majority-vote option that was expected to come from Pro Tem, Toni Atkins. This proposal was a \$150 million per year continuous appropriation from the General Fund. There were no enforcement protection provisions for ag. The Senate tied SB 200 (Monning) and SB 414 (Caballero) to the appropriation as well. SB 200 is the technical bill that would establish the fund and set rules for its use. SB 414 is Eastern MWD's Small System Water Authority Act of 2019.

The Assembly deferred action to the legislative process. Their vehicle is AB 217 (E. Garcia, D-Coachella). AB 217 originally included several options for funding including a trust, a residential fee, and fees on agriculture. The latest version of the bill included a fee for residential and commercial water users and a fee on agriculture. The bill differs from the Governor's proposal because it does not include enforcement protections for agriculture and in fact allows the Attorney General to access the funds collected from ag to be used to prosecute individual dairy or ag operations for legacy contamination. The ag community has been supporting the Governor's proposal and is now in strong opposition to AB 217.

Negotiations over the issue were left to the "Big Three," the Governor, the Speaker and the Pro Tem as they worked out the final major issues of the budget.

The final compromise approved by the conference committee:

- FY 19-20—in main budget bill
 - \$100 million in Greenhouse Gas Reduction Funds for Safe Drinking Water
 - \$30 million General Fund for Safe Drinking Water
- FY 2020-FY 2035- In Budget Trailer Bill
 - 5% GGRF continuous appropriation from GGRF
 - General fund backstop if GGRF does not produce \$130 million
 - \$130 million cap
- \$3.4 million General Fund for SWRCB administrative costs

After the Budget Conference Committee met and voted out the compromise version of the safe and affordable drinking water package, all that was left to do was pass the trailer bill that had the continuous appropriation language. Both the Senate and the Assembly introduced trailer bills on the matter with different details. Both contained the funding pieces described above, but the Assembly added language that would permit for systems with secondary contaminants to apply for the funding. Secondary contaminants are any chemical in water, basically allowing any water system to apply for this funding. While water agencies are always looking for new sources of funding, most agree that this \$130 million is to solve the safe and affordable drinking water issue specifically, and are therefore supporting the Senate version of the trailer bill.

On Thursday, June 26 (the day this report was submitted) the Senate voted to amend SB 200. (Monning). The amendments are not in print yet, but it is believed that SB 200 is the final compromise between the two houses and will be substantially similar to the Senate trailer bill. It is also believed that the bill will be heard in the Assembly Safety and Toxic Materials Committee on July 2. An urgency clause was added to the bill, making it a 2/3 vote. With the belief that this is the final compromise, it is expected that the bill will pass.

SB 414 (Caballero): Small System Water Authority Act of 2019: SB 414 is Eastern Municipal Water District's re-introduction of AB 2050 (Caballero) from 2018. The bill seeks to address the drinking water issue by enhancing long-term sustainable systems. SB 414 looks at how to manage districts with failing water systems and establish a new category of public water agency by way of merging formerly non-compliant drinking water systems in order to sustainably provide the technical, managerial, and financial capabilities necessary to ensure the consistent delivery of safe drinking water. A similar measure was vetoed in 2018. The bill got tied to the Senate package for safe and affordable drinking water, but was ultimately not considered in the final package, so it is back on the regular policy committee track. The bill has its first Assembly hearing in the Environmental Safety and Toxic Materials Committee on July 2.

Recycled Water:

AB 292 (Quirk): AB 292 builds on previous legislation, AB 574 (Quirk, 2017) which IEUA supported, and recent work by the SWRCB to remove the terms “direct potable reuse” and “indirect potable reuse” in state code in order to better align the terms with how the water agencies are using recycled water. AB 574 (Quirk) created four distinct types of potable reuse projects – “Indirect Potable Reuse for Groundwater Recharge”, “Reservoir Water Augmentation”, and Direct Potable Reuse, which includes two subcategories, “Raw Water Augmentation” and “Treated Drinking Water Augmentation.” With the more precise definitions added by AB 574, the terms “indirect” and “direct” only add to confusion about potable reuse and proposed projects. The term “Direct Potable Reuse” also implies that purified recycled water is going directly into the drinking water supply, which is not the case with Raw Water Augmentation projects. For example, opponents of a groundwater recharge project in the Central Coast incorrectly labeled the project “Direct Potable Reuse” and the confusion in the statute made this difficult to correct. This bill is sponsored by WateReuse California. The bill passed out of the Assembly without a single no vote. Senate Environmental Quality also passed the bill out unanimously and will be considered by the Natural Resources and Water Committees on July 9.

AB 1180 (Friedman): AB 1180 will require the SWRCB to update the state’s non-potable recycled water regulations by 2023. These regulations have not been revised since 2000. An update to these regulations, incorporating the knowledge and lessons learned from nearly two decades of non-potable water recycling, will help the state to achieve its ambitious goals for recycled water use. The bill also promotes recycled water use for dual plumbed building and for commercial, industrial and institutional (CII) uses by requiring the Water Board, through its update of Title 17 backflow regulations, to include the use of a change over device, such as a swivel ell. This bill is also sponsored by WateReuse. The bill passed out of the Assembly without a single no vote and was passed out of the Senate Environmental Quality Committee on June 5.

State Water Project:

SB 204 (Dodd): SB 204 originally sought to insert additional transparency and the sharing of information regarding future State Water Project Contract Amendments. If successful, this bill would have significantly delayed action on water conveyance and would be detrimental to any future SWP contract amendments. MWD and the State Water Contractors sought amendments to limit the timelines set in the bill so there wouldn’t be an open-ended window in which the contracts could be delayed. The bill had an initial hearing in the Senate Natural Resources and Water Committee where it faced serious pushback, mostly from Southern California members. After the pushback the Senator agreed to work with stakeholders, something he was reluctant to do before the hearing, as the bill moves through the process. The Senator failed to address MWD and SWC concerns and they moved to a full oppose position. The author took significant amendments to get out of the Senate Appropriations Committee. The amendments remove the provisions requiring hearings by the budget committee before contracts can be approved, among other amendments. The amendments satisfied concerns of MWD and the Contractors and they have removed their opposition. The bill was scheduled for a hearing in the Assembly Water, Parks and Wildlife Committee, but it was abruptly cancelled because the bill was made into a two-year bill. WCA will continue to track this bill very closely next year to ensure the unacceptable provisions aren’t reinserted into the bill.

IEUA BILL POSITIONS—June 27, 2019

Bill Number	Author/Sponsor	Title and/or Summary	Summary	IEUA Position
AB 292	Quirk WateReuse	Recycled water: raw water and groundwater augmentation	This bill would eliminate the definition of “direct potable reuse” and instead would substitute the term “groundwater augmentation” for “indirect potable reuse for groundwater recharge” in these definitions. The bill would revise the definition of “treated drinking water augmentation.”	SUPPORT Sen Nat. Resources and Water
AB 405	Rubio	<i>Sales and use taxes: exemption: water treatment</i>	<i>Would exempt from Sales and Use Tax the gross receipts from the sale in this state of, and the storage, use, or other consumption in this state of, chemicals used to treat water, recycled water, or wastewater regardless of whether those chemicals or other agents become a component part thereof and regardless of whether the treatment takes place before or after the delivery to consumers.</i>	SUPPORT <i>Held in Approps</i>
AB 533	Holden MWD	<i>Income taxes: exclusion: water conservation or efficiency programs: water runoff management improvement programs</i>	<i>This bill, for taxable years beginning on or after January 1, 2019, and before January 1, 2024, would provide an exclusion from gross income for any amount received as a rebate, voucher, or other financial incentive issued by a water service provider for any water conservation or efficiency program or water runoff management improvement program, as provided.</i>	SUPPORT <i>Held in Approps</i>
AB 557	Wood	<i>Atmospheric Rivers: Research, Mitigation, and Climate Forecasting Program</i>	<i>Would appropriate \$9,250,000 from the General Fund to the Department of Water Resources in the 2019–20 fiscal year to operate the Atmospheric Rivers: Research, Mitigation, and Climate Forecasting Program.</i>	SUPPORT <i>Held in Approps</i>
AB 654	Rubio	Public records: utility customers: disclosure of personal information	Would authorize a local agency to disclose the name, utility usage data, and home address of utility customers to an officer or employee of another governmental agency when the disclosure is not necessary for the performance of the other governmental agency’s official duties but is to be used for scientific, educational, or research purposes, and the requesting agency receiving the disclosed material agrees to maintain it as confidential in accordance with specified criteria.	SUPPORT 2- year bill

AB 756	Christina Garcia	Public water systems: perfluoroalkyl substances and polyfluoroalkyl substances.	Would authorize the State Water Resources Control Board to order a public water system to monitor for perfluoroalkyl substances and polyfluoroalkyl substances. The bill would require a community water system or a nontransient noncommunity water system, upon a detection of these substances, to report that detection, as specified. The bill would require a community water system or a nontransient noncommunity water system where a detected level of these substances exceeds the response level to take a water source where the detected levels exceed the response level out of use or provide a prescribed public notification.	OPPOSE Senate Appropriations Committee
AB 841	Ting	Drinking water: contaminants: perfluoroalkyl and polyfluoroalkyl substances	Would require the Office of Environmental Health Hazard Assessment to adopt and complete a work plan within prescribed timeframes to assess which substances in the class of perfluoroalkyl and polyfluoroalkyl substances should be identified as a potential risk to human health, as provided. The bill would require the office, as part of those assessments, to determine which of the substances are appropriate candidates for notification levels to be adopted by the state board. The bill would require the Office of Environmental Health Hazard Assessment, by January 1, 2022, to provide to the Legislature an update on the assessment.	SUPPORT 2- Year Bill
AB 1180	Friedman WateReuse	Recycled Water	The California Safe Drinking Water Act requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. Current law requires, on or before January 1, 2020, the state board to adopt standards for backflow protection and cross-connection control through the adoption of a policy handbook, as specified. This bill would require that handbook to include provisions for the use of a swivel or changeover device to supply potable water to a dual-plumbed system during an interruption in recycled water service.	SUPPORT Senate Appr

AB 1194	Frazier	Sacramento-San Joaquin Delta: Delta Stewardship Council	Would increase the membership of the Delta Stewardship Council to 13 members, including 11 voting members and 2 nonvoting members	OPPOSE 2-year bill
AB 1204	Rubio ACWA	Public water systems: primary drinking water standards: implementation date.	Would require the adoption or amendment of a primary drinking water standard for a contaminant in drinking water not regulated by a federal primary drinking water standard or that is more stringent than a federal primary drinking water standard to take effect 3 years after the date on which the state board adopts or amends the primary drinking water standard. The bill would authorize the state board to delay the effective date of the primary drinking water standard adoption or amendment by no more than 2 additional years as necessary for capital improvements to comply with a maximum contaminant level or treatment technique.	2-year bill
AB 1588	Gloria	Drinking water and wastewater operator certification programs	Current law requires the State Water Resources Control Board to issue a water treatment operator certificate and water distribution operator certificate by reciprocity to any person holding a valid, unexpired, comparable certification issued by another state, the United States, prescribed territories or tribal governments, or a unit of any of these. Current law requires the board to classify types of wastewater treatment plants for the purpose of determining the levels of competence necessary to operate them. This bill would require the board to evaluate opportunities to issue a water treatment operator certificate or water distribution operator certificate by reciprocity, or a wastewater certificate by examination waiver, to persons who performed duties comparable to those duties while serving in the United States military, as specified.	SUPPORT Senate Veterans Affairs Committee 7/9
AB 1672	Bloom CASA	Product labeling: flushable products	Current law regulates the labeling requirements on various consumer products. This bill would express the intent of the Legislature to enact legislation to prohibit the sale or advertisement of any nonwoven disposable product labeled as "flushable" or "sewer and septic safe" if that product fails to meet specified performance standards.	SUPPORT 2-Year Bill

ACA 1	Aguiar-Curry	Local government financing: affordable housing and public infrastructure: voter approval	The California Constitution prohibits the ad valorem tax rate on real property from exceeding 1% of the full cash value of the property, subject to certain exceptions. This measure would create an additional exception to the 1% limit that would authorize a city, county, city and county, or special district to levy an ad valorem tax to service bonded indebtedness incurred to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or permanent supportive housing, or the acquisition or lease of real property for those purposes, if the proposition proposing that tax is approved by 55% of the voters of the city, county, or city and county, as applicable, and the proposition includes specified accountability requirements.	SUPPORT Assembly Floor
SB 1	Atkins Defenders of Wildlife	California Environmental, Public Health, and Workers Defense Act of 2019	Current state law regulates the discharge of air pollutants into the atmosphere. The Porter-Cologne Water Quality Control Act regulates the discharge of pollutants into the waters of the state. The California Safe Drinking Water Act establishes standards for drinking water and regulates drinking water systems. The California Endangered Species Act requires the Fish and Game Commission to establish a list of endangered species and a list of threatened species, and generally prohibits the taking of those species. This bill would require specified agencies to take prescribed actions regarding certain federal requirements and standards pertaining to air, water, and protected species, as specified.	OPOSE UNLESS AMENDED Assembly Natural Resources 7/8 Assembly Judiciary
SB 200	Monning	Safe and Affordable Drinking Water Fund	Would establish the Safe and Affordable Drinking Water Fund in the State Treasury to help water systems provide an adequate and affordable supply of safe drinking water in both the near and the long term. The bill would authorize the board to provide for the deposit into the fund of federal contributions, voluntary contributions, gifts, grants, and bequests and would provide that moneys in the fund are available, upon appropriation by the Legislature, to the board to fund grants, loans, contracts, or services to assist eligible recipients.	SUPPORT Assembly Environmental Safety and Toxic Materials Committee 7/2

SB 204	Dodd Delta Interests	State Water Project: Contracts	Would require the Department of Water Resources to provide at least 10 days' notice to the Joint Legislative Budget Committee and relevant policy and fiscal committees of the Legislature before holding public sessions to negotiate any potential amendment of a long-term water supply contract that is of project-wide significance with substantially similar terms intended to be offered to all contractors, or that would permanently transfer a contractual water amount between contractors.	WATCH 2- year bill
SB 307	Roth National Parks Conservation Association	Water conveyance: use of facility with unused capacity	This bill would 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 Assembly Appropriations
SB 414	Caballero Eastern MWD/ CMUA	Small System Water Authority Act of 2019	Would create the Small System Water Authority Act of 2019 and state legislative findings and declarations relating to authorizing the creation of small system water authorities that will have powers to absorb, improve, and competently operate noncompliant public water systems. The bill, no later than March 1, 2020, would require the state board to provide written notice to cure to all public agencies, private water companies, or mutual water companies that operate a public water system that has either less than 3,000 service connections or that serves less than 10,000 people, and are not in compliance, for the period from July 1, 2018, through December 31, 2019, with one or more state or federal primary drinking water standard maximum contaminant levels, as specified.	SUPPORT Assembly Environmental Safety and Toxic Materials Committee 7/2
SB 332	Hertzberg	Ocean Discharge	<i>Would declare, except in compliance with the bill's provisions, that the discharge of treated wastewater from ocean outfalls is a waste and unreasonable use of water. The bill would require each wastewater treatment facility that discharges through an ocean outfall and affiliated</i>	<i>OPPOSE UNLESS AMENDED</i>

	NRDC		<i>water suppliers to reduce the facility's annual flow as compared to the average annual wastewater discharge baseline volume, as prescribed, by at least 50% on or before January 1, 2030, and by at least 95% on or before January 1, 2040. The bill would subject the owner or operator of a wastewater treatment facility, as well as the affiliated water suppliers, to a civil penalty of \$2,000 per acre-foot of water above the required reduction in overall volume discharge for the failure to meet these deadlines.</i>	<i>Held in Approps</i>
SB 669	Caballero ACWA/CMUA	<i>Safe Drinking Water Trust</i>	<i>Would establish the Safe Drinking Water Fund in the State Treasury and would provide that moneys in the fund are continuously appropriated to the State Water Resources Control Board. The bill would require the state board to administer the fund to assist community water systems in disadvantaged communities that are chronically noncompliant relative to the federal and state drinking water standards and do not have the financial capacity to pay for operation and maintenance costs to comply with those standards, as specified.</i>	<i>Held in Approps</i>
AJR 8	Quirk	Invasive species: federal Nutria Eradication and Control Act of 2003	Would urge the United States Congress to specifically add California to the Nutria Eradication and Control Act of 2003 and to authorize an appropriation of \$4,000,000 to help the state implement a nutria eradication program.	SUPPORT Senate Floor Consent Calendar

INFORMATION
ITEM
2C

INNOVATIVE FEDERAL STRATEGIES, LLC

Comprehensive Government Relations

MEMORANDUM

To: Kathy Besser

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

Date: June 28, 2019

Re: June Monthly Legislative Update

Status of FY20 Appropriation Bills, The House Passes Minibuses

The House has continued to make significant progress on the fiscal year 2020 appropriations bills, passing 10 of the 12 measures before the end of June.

Earlier this month, the House passed the first fiscal year 2020 appropriations minibus consisting of the Defense, Labor-HHS, State-Foreign Ops and Energy and Water Appropriations bills by a vote of 226 to 203. No Republicans voted for the package and 7 Democrats joined them in opposition.

The measure now heads to the Senate.

The House also voted on and passed its second fiscal year 2020 minibus appropriations package (H.R. 3055) including the Agriculture-FDA, Commerce-Justice-Science, Interior-Environment, Military Construction-VA and Transportation-HUD appropriation bills. In total, 290 amendments were made in order for floor consideration. Among the amendments made in order, the following were ultimately adopted with the final bill:

- An amendment to shift funding to oppose the Federal Bureau of Prisons' (BOP) use of contracted private prison facilities for detention and immigration enforcement;
- An amendment to bar the use of funds to enforce the Trump administration's "zero-tolerance" immigration policy, which directs the Justice Department to prosecute all illegal crossings at the U.S.-Mexico border; and,
- An amendment to shift \$5 million within state and local law enforcement funds for targeted violence prevention training.

The House passed the bill by a vote of 227 to 194. A united Republican Conference was joined by only one Democrat in opposing the legislation.

The House also passed the fiscal year 2020 Financial Services appropriations bill (H.R. 3351). The \$24.6 billion bill would boost funding for the Treasury and the Internal Revenue Service.

The two measures that have not yet received consideration on the floor of the House include the Legislative Branch and Homeland Security Appropriations bills.

House leadership has kept open the possibility that it will take up the Legislative Branch appropriations bill (H.R. 2779) soon. The legislation was originally included in the first fiscal

Innovative Federal Strategies LLC

year 2020 appropriations minibus, but it was pulled over disagreements surrounding an automatic cost of living adjustment for Members of Congress.

Speaker Nancy Pelosi (D-CA) also left the door open to consider the Homeland Security appropriations bill as well, but it is expected to face hurdles to receive enough votes from Democrats if Republicans remain united in their opposition to the appropriations bills.

The House passed measures now head to the Senate, where the Senate Appropriations Committee continues to make slow progress as it has yet to introduce a single fiscal year 2020 appropriations bill. Senate Appropriations Committee Chairman Richard Shelby (R-AL) has indicated he planned to see if a budget caps deal could be reached before his committee moved forward marking up appropriations measures. Since the Senate did not reach an agreement before the July 4th recess began, Shelby indicated the Senate would likely “deem” a topline number so the committee could begin markups.

A table with the status of the 12 annual spending bills is included below:

Spending Bill	Approved by the House Appropriations Committee	Approved by Senate Appropriations Committee	Passed Full House	Passed Full Senate
Agriculture	6/4	n/a	6/25	n/a
CJS	5/22	n/a	6/25	n/a
Defense	5/21	n/a	6/19	n/a
Energy and Water	5/21	n/a	6/19	n/a
Financial Services	6/11	n/a	6/26	n/a
Homeland Security	5/11	n/a	n/a	n/a
Interior	5/22	n/a	6/25	n/a
Labor/HHS	5/8	n/a	6/19	n/a
Legislative Branch	5/9	n/a	n/a	n/a
MilCon/VA	5/9	n/a	6/25	n/a
State-Foreign Ops	5/16	n/a	6/19	n/a
Transportation-HUD	6/4	n/a	6/25	n/a

White House Threatens Veto of House Minibus Packages

The White House has released several Statement of Administration Policy (SAP) announcements in recent weeks, which are official statements from the administration that signal the administration’s support or opposition of legislation before the House and Senate.

The White House SAP took issue with several provisions included the House’s first passed fiscal year 2020 appropriations minibus consisting of the Defense, Labor-HHS, State-Foreign Ops and Energy and Water Appropriations. The Administration expressed concern over “problematic language that would prohibit the transfer and execution of funds to improve Nation’s border security, and that would otherwise impede immigration enforcement”, charter schools, and several defense and foreign operation funding streams, and issued a veto threat.

In addition, the White House is also threatening to veto H.R. 3055, the second minibuss appropriations package consisting of Commerce, Justice, Science, Agriculture, Rural Development, Food and Drug Administration, Interior, Environment, Military Construction, Veterans Affairs, Transportation, and Housing and Urban Development Appropriation bills.

In the SAP, the Administration contends that Democrats and the minibuss are using a misguided framework, wherein increases to defense spending must be matched or exceeded by increases to non-defense spending. In addition, the Administration took issue on the “problematic provisions implicating key Administration priorities, including provisions that would prohibit the use of FY 2020 or prior-year military construction funding to design, construct, or carry out projects along the southern border”.

Within the appropriations bill that would fund the Department of Interior, the Administration is concerned that the bill provides no funding to support the reorganization of DOI, an initiative focused on making DOI more efficient and responsive to the public. The Administration strongly opposes efforts to block these important and bold reforms.

The SAP also highlights the Administration’s opposition to the \$3.6 billion provided in the bill for the Community Development Block Grant program, as it feels the program is not well-targeted to the most distressed areas and has not demonstrated measurable impacts on communities.

The SAP addresses other grievances within the minibuss, including grants related to the California High Speed Rail Authority, and should the bill be brought to the White House as is, President Trump’s advisors would recommend that he veto the measure.

Senate Defense Authorization Makes Changes to PFAS Regulations

Right before the Senate adjourned for the July 4th recess, lawmakers passed their version of the annual National Defense Authorization Act, 2020 by a vote of 86-8. Due to do the amount of time it takes the Senate to dispense with amendments, only three amendments were considered to the legislation while it was on the floor, and only two of the amendments were adopted.

Of the adopted amendments, the Senate cleared a substitute amendment that included the next of more than two dozen amendments offered by lawmakers. Senate leaders from both sides of the isle worked together to clear a package of amendments that enjoyed bipartisan support, which considerably reduced the amount of time it would take the Senate to consider the legislation.

Included in the substitute amendment was sweeping language to address per- and polyfluoroalkyl substances, or PFAS. These chemical are used in nonstick coating, firefighting foams, and some food packaging. They are especially valuable as a protective coating because of their resistance to breaking down in the environment.

That same resistance poses a contamination problem for drinking water supplies, particularly in areas near military bases where the PFAS chemical are used in firefighting foam during training exercise. Exposure to these chemicals has been linked to health problems such as low birth

Innovative Federal Strategies LLC

weight, testicular and kidney cancer, and liver damage, plus immune system and thyroid effects, according to studies cited by the EPA.

The amendment includes provisions that would force the EPA to set nationwide drinking water regulations for at least some PFAS chemicals within two years. The agency has been working on PFAS contamination issues for years, but hasn't yet determined whether it will set nationwide standards, let alone when.

If and when the agency sets these standards, every water utility in the country would have to test their water for the presence of PFAS chemicals and then take action if PFAS concentrations rise too high.

Additionally, the Senate's defense bill would add PFAS chemicals to the Environmental Protection Agency's Toxics Release Inventory, which would require companies using or transporting these chemicals to report this activity to the agency.

It would also require the U.S. Geological Survey to sample water bodies nationwide to determine the extent of PFAS contamination. And it would also allow the Defense Department to partner with civilian water utilities to clean up water contamination.

The Senate ultimately didn't adopt an amendment to the bill that would have forced the Air Force to reimburse utilities for the costs of PFAS clean up, a major issue in states such as New Mexico, which is currently suing the Air Force over aquifer contamination there.

The bill also doesn't require the EPA to designate PFAS chemicals as hazardous substances, which would make it easier to recover cleanup costs from the military through the federal Superfund process.

The House Armed Services Committee approved its own version of this annual defense bill (H.R. 2500) several weeks ago, and it also includes some provisions that affect PFAS regulation. But that bill isn't expected to come to the House floor until after the Independence Day recess.

Congressional Leaders, White House Officials Fail to Reach Budget Deal

Congressional leaders from both parties and senior White House officials emerged from a meeting in Speaker Nancy Pelosi's office on Wednesday, June 19 without a deal on raising spending caps and the debt limit.

The meeting included Speaker Pelosi, Senate Democratic Leader Chuck Schumer (D-NY), Senate Majority Leader Mitch McConnell (R-KY) and House Minority Leader Kevin McCarthy (R-CA), as well as senior lawmakers from the Senate and House Appropriations committees.

Treasury Secretary Steven Mnuchin and acting White House Chief of Staff Mick Mulvaney represented the White House.

Innovative Federal Strategies LLC

Congress and the White House have a few more months to go before the new fiscal year starts on October 1, but lawmakers are eager to take the prospect of another government shutdown off the table sooner rather than later.

In a joint statement, Speaker Pelosi and Leader Schumer seemed to put the blame on the administration for impeding progress. "If the House and Senate could work their will without interference from the President, we could come to a good agreement much more quickly," the statement said.

If an agreement isn't reached to raise the spending caps, an automatic sequestration of government funds could lower government funding levels by some 10 percent in the next fiscal year. Additionally, absent an agreement, the House and Senate would unlikely be able to agree to spending legislation, which could trigger a government shutdown or require the passage of a continuing resolution (CR)—putting federal spending on autopilot.

Secretary Mnuchin, who attended the meeting, laid out the GOP's Plan B if no deal is reached. That plan would freeze current spending levels and prevent deep spending cuts from going into effect if no agreement is reached before the end of September.

Pelosi and Schumer said they were committed to avoiding a CR but ensuring the full faith and credit of the U.S. government.

The deadline for addressing the debt limit is expected sometime in September. Failure to act on it would cause the U.S. government to default on its debt, which would lead to extreme volatility in global financial markets.

Some Republican lawmakers would prefer Secretary Mnuchin take the lead in representing the White House, as they see him being more amenable to a two-year spending deal that would also raise the debt limit.

Acting Chief of Staff Mulvaney, on the other hand, is viewed as resistant to striking a two-year deal, which would take the prospect of another government shutdown off the table until after the 2020 election. Mulvaney was a founding member of the conservative House Freedom Caucus and an outspoken critic of big budget deals that swell the federal deficit.

U.S.-Mexico Border Strain and Immigration Takes Center Stage

The head of U.S. Border Patrol defended using military personnel at the U.S.-Mexico border, saying extra resources are needed "as long as we face this crisis" of an influx of migrants.

Speaking at a House Homeland Security hearing earlier this month, Border Patrol Chief Carla Provost said apprehensions and drug seizures at the border have become "overwhelming." She said agency officers are already working 50 hours a week, and in some cases, she must ask them to work more in a physically and emotionally demanding role.

Innovative Federal Strategies LLC

U.S. Customs and Border Protection reported 593,507 apprehensions at the border from October through May, including 332,981 traveling in family units.

Committee Democrats led by Border Security Subcommittee Chairwoman Kathleen Rice of New York acknowledged the influx of migrants, but questioned agency decisions “to take trained border patrol agents away from their jobs that they are trained to do and have them do different things that independent contractors could be hired to do.”

Congress has passed the Administration’s spending request to bolster resources at the U.S.-Mexico border to address the ongoing humanitarian crisis.

However, following the passage of the Senate border bill supplemental appropriation, Speaker Nancy Pelosi (D-CA) presented the Senate with changes by releasing an amended Senate bill that limits how long children can be held, enforces high standards for “influx” facilities, and requires immediate notification of any child deaths in U.S. custody. However, House Democrats failed to gain concessions from the Senate and White House on their border funding bill leaving the House to rely mostly on Republican votes to pass the Senate’s \$4.6 billion version of the bill. The House passed the measure 305-102, with 176 Republicans and 129 Democrats supporting the measure. The Senate passed the measure 84-8 on Wednesday.

Adding to the immigration policy discussions, this month the President threatened to deport “millions” of undocumented immigrants. However, the President called off the deportations hours before they were set to begin citing, a request from Democrats. He also explained via a tweet that he had “delayed the Illegal Immigration Removal Process (Deportation) for two weeks to see if the Democrats and Republicans can get together and work out a solution to the Asylum and Loophole problems at the Southern Border.”

Prior to that, U.S. Immigration and Customs Enforcement agents had been poised to start attempting to act on final deportation orders for approximately 2,000 people in 10 cities.

August Recess Under Threat

The lack of a spending deal with fewer than 20 legislative days remaining until the August recess is prompting some GOP senators to discuss the possibility of cutting short the Senate’s August break.

Senator David Perdue (R-GA), who is up for reelection next year, said he will ask Senate Majority Leader Mitch McConnell to consider trimming the annual recess in order to tackle government spending bills.

The effort to shorten the recess was successful in 2018 after Perdue and other lawmakers sounded the alarm on a pileup of spending measures. This year, the Senate is even further behind schedule on its to-do list.

Senators have done little legislating this year and still have on their agenda the highway reauthorization and the annual appropriations bills.

“We only have 19 working days between now and the end of July. If we don’t stay here in August at least some of the time, it’s hard for me to believe we’re going to get all of this appropriated by Sept. 30,” Perdue said, citing the end of the fiscal year.

McConnell canceled much of the August recess last year after coming under pressure from colleagues who said the Senate needed to catch up on its backlog of work.

As discussed above, the Senate Appropriations Committee hasn’t advanced any spending bills this year, while the House Appropriations panel has already voted on all 12 annual spending measures.

The Senate committee last year had voted on seven of the annual spending bills by mid-June and all 12 by the end of June.

This year’s Senate is far behind that pace largely because of a failure to reach a deal with the White House and Democrats in the House on budget caps. The House has moved ahead despite the lack of top-line fiscal numbers.

The Senate has spent most of 2019 voting on Trump’s judicial and executive branch nominees.

States Work to Block Military Funds for Border Wall

California and New Mexico are asking a federal judge to permanently block President Trump from using military funds to build a border wall in those states.

In a court filing, attorneys for the states asked Judge Haywood Gilliam to rule against the Trump administration in their efforts to build a border wall in their states, claiming that it will cause lasting harm to the environment and will infringe upon those states' rights.

The filing notes that Gilliam found in a prior ruling that states seeking to stop Trump from using military funds for a border wall are likely to win their lawsuit. The motion relates to \$2.5 billion in Department of Defense (DOD) funds that the president has tapped to build the border wall.

California and New Mexico both request that this Court declare that the transfer and use of DOD funds toward Defendants’ proposed border wall is unlawful and unconstitutional,” the court document reads, calling for Gilliam to issue an injunction.

Gilliam, an Obama appointee, ruled last month to grant a preliminary injunction to stop Trump from using some Pentagon funds for a border wall. The president declared a national emergency earlier this year to divert those dollars toward a border wall.

Trump issued the order at the end of a record 35-day-long partial government shutdown after Congress refused to include his requested amount of funding for border security in a government spending bill.

Innovative Federal Strategies LLC

Several lawsuits have been filed to challenge Trump's authority to divert the military funds, arguing that only Congress has the authority to allocate federal funds.

Disaster Bill Passes House and Senate, Signed by President

The House on Monday, June 3, passed a \$19.1 billion disaster relief package, finally sending legislation to the White House that had been repeatedly blocked by lone Republican lawmakers over the Memorial Day recess.

The legislation was approved in a 354-58 vote.

The measure includes funding for communities hit by various natural disasters across the country. It also includes \$900 million in aid to Puerto Rico, funding that was initially opposed by President Trump as being too much.

The measure passed the Senate in an 85-8 vote in late May.

President Donald Trump on Thursday, June 6 signed a \$19.1 billion disaster aid bill after delays stalled the measure from getting passed.

Grijalva Asks Trump to Explain Vacancies at the Interior Department

House Natural Resources Chairman Raul Grijalva (D-AZ) has asked President Donald Trump to explain why 59 percent of leadership positions at the Interior Department have yet to be filled.

Among those empty slots are directors of the Bureau of Land Management, National Park Service, U.S. Fish and Wildlife Service, Bureau of Ocean Energy Management, and the Office of Surface Mining Reclamation and Enforcement. The Interior Department also still doesn't have a deputy secretary or special trustee for American Indians.

The White House didn't immediately respond to a request for comment after the release of the June 12 letter.

The administration is "abdicating its constitutional duty to nominate qualified individuals into these important roles, instead enlisting individuals in 'acting capacity' who are more loyal to a political agenda than the missions of the agencies and departments they should be leading," Grijalva wrote.

The Arizona Democrat asked Trump to send a detailed timeline of all Interior nominations that are either vacant or held by someone in an acting capacity. Some Interior nominees have begun moving through the Senate confirmation process.

For example, Robert Wallace, Trump's pick to become the assistant secretary for fish, wildlife, and parks, had two confirmation hearings earlier this month.

Daniel Jorjani, the administration's nominee for the department's solicitor, and Mark Greenblatt, the Interior inspector general nominee, both had a Senate confirmation hearing in May.

Farmers Ask EPA to Curb How Water Law Affects Some Streams

Farmers and ranchers want the Trump administration to only apply federal clean water protections in an upcoming rule to streams that run at least three months a year.

Todd Fornstrom, president of the Wyoming Farm Bureau, made a case for a clearer definition of “intermittently flowing streams” in his written testimony to the Senate Environment and Public Works Committee June 12. The committee is examining the administration’s 2018 rewrite of the Obama-era rule defining the scope of the Clean Water Act over waterways.

Fornstrom—who testified on behalf of the American Farm Bureau Federation—argued that a more precise definition was needed to provide clarity on what’s covered by the Environmental Protection Agency. He said the farmers and ranchers would face less federal overreach if the phrase “certain times of the year” in the Obama-era rule is replaced with a concrete duration of time of continuous surface flow, for example 90 days.

The EPA and the U.S. Army Corps of Engineers are sifting through hundreds of comments to rewrite the 2015 regulation, which defined where Clean Water Act protections would apply.

The December 2018 proposal, which the agencies expect to issue in August in final form, stopped short of defining intermittent streams. Instead, they described it as “surface water flowing continuously during certain times of a typical year.”

Meanwhile, the Obama administration’s 2015 Clean Water Rule only remains in effect in about half the country, and is blocked in the other half, including Wyoming.

Bill Number (linked to the legislation on Congress.gov)	Sponsor/ Cosponsor	Title and/or Summary	Summary/Status	Latest Action
n/a		Status of the 12 annual appropriations bills in the House	<p>The House has passed 10 of its 12 annual appropriations bills in three pieces of legislation. The first 9 passed in 2 separate minibus packages and the final bill went on its own.</p> <p>The two remaining bills have advanced through the House Appropriations Committee and await action by the full House.</p>	<p>H.R.2740, First minibus (passed 226 - 203): Defense; Energy and Water: Labor-HHS; and State-Foreign Operations.</p> <p>H.R.3055, Second minibus (passed 227 - 194): Agriculture; Commerce-Justice-Science; Military Construction - VA; Interior-Environment; and Transportation-HUD.</p> <p>H.R. 3351, Stand alone legislation (passed 224-196): Financial Services.</p> <p>Not yet completed: Homeland Security; and Legislative Branch.</p>
n/a		Status of the 12 annual appropriations bills in the Senate	The Senate has not yet introduced or passed any of its twelve annual appropriations bills.	Senate Appropriations Committee Chairman Richard Shelby indicated that if an agreement was not reached before the July 4th recess, the Senate would likely "deem" a topline number to begin considering appropriations bills.
H.R. 1764	Rep. John Garamendi (D-CA)	The bill to amend the Federal Water Pollution Act	The legislation would amend the Federal Water Pollution Control Act with respect to permitting terms, and for other purposes.	<p>Introduced on March 15 and then referred to the Subcommittee on Water Resources and Environment.</p> <p>This legislation has bipartisan cosponsorship.</p>

Bill Number (linked to the legislation on Congress.gov)	Sponsor/ Cosponsor	Title and/or Summary	Summary/Status	Latest Action
S. 1790	Sen. Jim Inhofe (R-OK)	<p>National Defense Authorization Act, 2020</p> <p>Note: Included a rider on PFAS</p>	<p>The National Defense Authorization Act, 2020 is the annual authorization for Defense programs.</p> <p>This year, the legislation included legislation aimed at addressing the risks and challenges associated with per- and polyfluoroalkyl substances (PFAS). This provision will ensure that the EPA sets a national drinking water standard for PFAS and PFOS. It will also require industrial manufactures and users to notify the public when PFAS chemicals are released into the environment. The EPA will also have to issue guidance on how to dispose of and destroy PFAS. The legislation also provides authorization for funding for monitoring and sampling, and requires better interagency coordination on PFAS chemicals.</p>	Passed the Senate on Thursday, June 27, 2019, though an amendment vote was held the following day.
H.R.1497	Water Quality Protection and Job Creation Act of 2019	Rep. Peter DeFazio (D-OR)	<p>Reauthorizes sections of the Federal Water Pollution Control Act that provide grants to States and interstate agencies, including:</p> <p>State Management Assistance: Section 106(a); Watershed Pilot Projects: Section 122(c); Alternative Water Source Projects Pilot Program: Section 220(d); Sewer Overflow and Stormwater Reuse Municipal Grants: Section 221(f)1; and State Water Pollution Control Revolving Funds.</p>	Introduced on March 6 and referred to the House Committee on Transportation, Subcommittee on Water Resources and Environment

Bill Number (linked to the legislation on Congress.gov)	Sponsor/ Cosponsor	Title and/or Summary	Summary/Status	Latest Action
H.R. 1508	Rep. Blumenauer (D-OR)	Move America Act of 2019	The measure would amend the Internal Revenue Code of 1986 to provide for Move America bonds and Move America credits.	<p>Introduced on March 5 and then referred to the House Committee on Ways and Means.</p> <p>Note: All tax issues are likely to be addressed as part of a larger tax package. The Ways and Means Committee is considering forming a tax extenders package, which would be the most likely venue for this legislation.</p>
H.R. 2960 /S.____	Rep. Marcy Kaptur (D-OH) / Sen. Lamar Alexander (R-TN)	Energy and Water Development Appropriations Act, 2020	FY20 Energy and Water Appropriations bill includes funding for the Department of Energy, Bureau of Reclamation (Interior), Army Corps of Engineers, and other federal agencies.	<p>The House marked up and reported their version of the Energy and Water bill & report on May 23. It was placed on the Union Calendar. The bill was included in the House's first minibus that consisted of the Defense, Labor-HHS, State-Foreign Ops and Energy and Water Appropriations bills. It passed the House by a vote of 226 to 203.</p> <p>The Senate Appropriations Committee is likely to follow suit within the next several weeks. Consideration on the Senate floor likely will not occur until later this summer. As in the House, the Senate bills will likely be packaged into minibus appropriations bills, but the consent of each could be different.</p>

Bill Number (linked to the legislation on Congress.gov)	Sponsor/ Cosponsor	Title and/or Summary	Summary/Status	Latest Action
H.R. 3052 / S.____	Rep. Betty McCollum (D-MN) / Sen. Lisa Murkowski (R-AK)	Interior, Environment, and Related Agencies Appropriations Act, 2020	The Interior-Environment Appropriations bill includes funding for the Environmental Protection Agency, Department of the Interior (except the Bureau of Reclamation), Bureau of Land Management, Land and Water Conservation Fund, National Park Service, U.S. Fish and Wildlife Service, and the U.S. Forest Service.	<p>The House marked and reported their version of the Interior Appropriations bill & report on May 22. The measure was included in the House's second minibus which consisted of the Agriculture-FDA, Commerce-Justice-Science, Interior-Environment, Military Construction-VA and Transportation-HUD appropriation bills. The legislation passed the House by a vote of 227 to 194.</p> <p>As in the House, the Senate bills will likely be packaged into minibus appropriations bills, but the consent of each could be different.</p>
H.R. 3163 / S.____	Rep. David Price (D-NC) / Sen. Susan Collins	Transportation, Housing, and Urban Development, and Related Agencies Appropriations Act, 2020	The Transportation-HUD Appropriations bill includes funding for the Departments of Transportation, Housing and Urban Development, and various other federal agencies.	<p>The House marked and reported their version of the Transportation, Housing, and Urban Development Appropriations bill & report on June 4. The measure was included in the House's second minibus which consisted of the Agriculture-FDA, Commerce-Justice-Science, Interior-Environment, Military Construction-VA and Transportation-HUD appropriation bills. The legislation passed the House by a vote of 227 to 194.</p> <p>The Senate Appropriations Committee is likely to follow suit later this summer. As in the House, the Senate bills will likely be packaged into minibus appropriations bills, but the consent of each could be different.</p>

Bill Number (linked to the legislation on Congress.gov)	Sponsor/ Cosponsor	Title and/or Summary	Summary/Status	Latest Action
H.R.3055 / S. ____	Sen. Jerry Moran (R-KS) / Rep. Jose Serrano (D-NY)	Commerce, Justice, Science, and Related Agencies Appropriations Act, 2020	The Commerce-Justice-Science Appropriations bill contains funding for the Department of Commerce (including NOAA and the Census), the Department of Justice, the office of Science and Technology Policy, and related agencies.	<p>The House marked and reported their version of the CJS Appropriations bill on June 3. The measure served as the legislative vehicle for the House's second minibus which consisted of the Agriculture-FDA, Commerce-Justice-Science, Interior-Environment, Military Construction-VA and Transportation-HUD appropriation bills. The legislation passed the House by a vote of 227 to 194.</p> <p>The Senate Appropriations Committee is likely to follow suit later this summer. As in the House, the Senate bills will likely be packaged into minibus appropriations bills, but the consent of each could be different.</p>
H.R. 1744	Rep. Mark Takano (D-CA)	S.T.O.R.A.G.E. Act (Storage Technology for Operational Readiness And Generating Energy Act) Energy Storage Systems by Electric Utilities	The bill would provide for the consideration of energy storage systems by electric utilities as part of a supply side resource process, and for other purposes.	The bill was introduced on March 13 and the referred to the Committee on Energy and Commerce, and in addition to the Committee on Science, Space, and Technology.
S. 146	Sen. John Hoeven (R-ND)	Move America Act of 2019	A bill to amend the Internal Revenue Code of 1986 to provide for Move America bonds and Move America credits- which provide tools to finance additional transportation, water, and information infrastructure capital investments, through an approach that provides assistance for financing of infrastructure to all States, rural and urban.	Introduced in the Senate on January 16th

Bill Number (linked to the legislation on Congress.gov)	Sponsor/ Cosponsor	Title and/or Summary	Summary/Status	Latest Action
H.R.1162	Rep. Grace Napolitano (D-CA)	Water Recycling Investment and Improvement Act	This legislation would create a competitive grant program for the funding of water recycling and reuse projects by raising the authorization cap for the Title XVI program from \$50 million to \$500 million. The legislation would also raise the authorization cap from \$20 million to \$30 million for the Reclamation Wastewater and Groundwater Study and Facilities Act.	Introduced in the House on February 13. The House Natural Resources Subcommittee on Water, Oceans, and Wildlife held a hearing on the legislation on June 13.
H.R.579	Rep. Scott Tipton (R-CO)	Water Rights Protection Act of 2019	This bill would prohibit the conditioning of any permit, lease, or other use agreement on the transfer of any water right to the United States by the Secretaries of the Interior and Agriculture, and for other purposes.	Introduced in the House on January 15th. Referred to the Conservation and Forestry Subcommittee of the Agriculture Committee on 2/7 and to the Water, Oceans, and Wildlife Subcommittee of the House Natural Resources Committee on 2/4. A similar amendment was submitted to the House Rules Committee for consideration in the Interior-Environment Appropriations bill, but was not made in order by the Committee for floor consideration.
H. R. 855	Rep. Scott Peters (D-CA)	STRONG (Strengthening the Resiliency of our Nation on the Ground Act) Act	The bill would work to minimize the economic and social costs resulting from losses of life, property, well-being, business activity, and economic growth associated with extreme weather events by ensuring that the United States is more resilient to the impacts of extreme weather events in the short- and long-term, and for other purpose	Introduced in the House and referred to the Subcommittee on Economic Development, Public Buildings, and Emergency Management on February 7th.

Bill Number (linked to the legislation on Congress.gov)	Sponsor/ Cosponsor	Title and/or Summary	Summary/Status	Latest Action
S. 361/H.R. 807	Sen. Cory Gardner (R-CO) / Rep. Ken Buck (R-CO)	Water and Agriculture Tax Reform Act of 2019	The measure would work to amend the Internal Revenue Code of 1986 to facilitate water leasing and water transfers to promote conservation and efficiency.	Introduced referred to the Committee on Finance (Senate) and Ways and Means Committee (House).
H.R. 420	Rep. Earl Blumenauer (D-OR)	Regulate Marijuana Like Alcohol Act	The bill would decriminalize marijuana and sets up legal framework to regulate marijuana.	Introduced in the House on January 8th
S.420 /H.R. 1120	Sen. Ron Wyden (D-OR) / Rep. Earl Blumenauer (D-OR)	Marijuana Revenue and Regulation Act	A bill to amend the Internal Revenue Code of 1986 to provide for the taxation and regulation of marijuana products, and for other purposes.	The bill was introduced in the Senate on February 14th and was referred to the Subcommittee on Conservation and Forestry. Introduced in the House on February 14th and was referred to the Subcommittee on Conservation and Forestry.
H.R.34	Rep. Eddie Bernice Johnson (D-TX)	Energy and Water Research Integration Act of 2019	The legislation would ensure consideration of water intensity in the Department of Energy's energy research, development, and demonstration programs to help guarantee efficient, reliable, and sustainable delivery of energy and clean water resources.	The bill was introduced in the House on January 3rd. It was marked up and ordered to be reported by the House Science and Technology Committee on May 1, 2019.
H.R. 2313	Rep. Jared Huffman (D-CA)	Water Conservation Rebate Tax Parity Act	The measure would amend the Internal Revenue Code of 1986 to expand the exclusion for certain conservation subsidies to include subsidies for water conservation or efficiency measures and storm water management measures.	The bill was introduced in the House on April 12 and then referred to the Committee on Ways and Means. Note: All tax issues are likely to be addressed as part of a larger tax package. The Ways and Means Committee is considering forming a tax extenders package, which would be the most likely venue for this legislation.

Bill Number (linked to the legislation on Congress.gov)	Sponsor/ Cosponsor	Title and/or Summary	Summary/Status	Latest Action
S.1419	Sen. James Lankford (R-OK)	Early Participation in Regulations Act	The legislation would direct agencies to issue advanced notices for rules costing more than \$100 million annually. The bill would require agencies must outline the problem the rule intends to solve and listen to the public's input on the subject.	<p>On May 13, the bill was introduced into the Senate. It was then referred to the Committee on Homeland Security and Governmental Affairs. On July 19 the Committee on Homeland Security and Governmental Affairs ordered the measure to be reported favorably with an amendment in the nature of a substitute.</p> <p>The legislation has bipartisan cosponsorship.</p>
S. 1344	Sen. Cory Booker (D-NJ) and Tim Scott (R-SC)	Reinstate Opportunity Zone Data Mandates	<p>The bill would require the Secretary of the Treasury to collect data and issue a report on the opportunity zone tax incentives enacted by the 2017 tax reform legislation.</p> <p>The reporting requirements were part of the original legislation as introduced, but they were not incorporated in H.R.1 (the tax package) when it was advanced in the House and Senate.</p>	<p>The legislation was introduced in the Senate on May 7, 2019.</p> <p>The legislation has bipartisan cosponsorship.</p>
Enacted Legislation				

Bill Number (linked to the legislation on Congress.gov)	Sponsor/ Cosponsor	Title and/or Summary	Summary/Status	Latest Action
H.J.Res.31	Rep. Lucille Roybal-Allard (D-CA)	Consolidated Appropriations Act, 2019 (Conference Reports for the Agriculture, Commerce-Justice-Science, Financial Services-General Government, Interior-Environment, State-Foreign Operations, and Transportation-HUD Appropriations bills).	The House and Senate came to an agreement on a Conference Report for the 7 remaining FY19 appropriations bills after holding an official conference on the FY19 Homeland Security Appropriations bill. The Homeland Security section contained approximately \$1.3 billion for border fencing in the Rio Grande Valley of Texas and slight reduction in funding for ICE detention beds. The other 6 appropriations bills contained conference reports similar to those that had been previously been released.	The bill was introduced on January 22nd and was passed by both the Senate and the House before being signed into law on February 15th. This bill's enactment finalized full year funding for all federal agencies for fiscal year 2019 through September 30, 2019.
S.47	Sen. Lisa Murkowski (R-AK)	<p>Natural Resources Management Act (renamed the John D. Dingell, Jr. Conservation, Management, and Recreation Act)</p> <p>Included the following provisions: California Desert Protection and Recreation Act of 2019</p> <p>Bureau of Reclamation Transparency Act</p> <p>Santa Ana River Wash Plan Land Exchange Act</p>	This bill sets forth provisions regarding various programs, projects, activities, and studies for the management and conservation of natural resources on federal lands. Specifically, the bill addresses: Land conveyances, exchanges, acquisitions, withdrawals, and transfers; the Santa Ana River Wash Plan Land Exchange Act; national parks, monuments, memorials, wilderness areas, other conservation and recreation areas; and federal reclamation projects. For California, the legislation included the Santa Ana River Wash Plan Land Exchange Act and the California Desert Protection and Recreation Act of 2019, which was a compromise between individual bills introduced by Senator Dianne Feinstein and Congressman Paul Cook in previous Congresses.	Introduced in the Senate on January 8th. The legislation passed the Senate by a vote 92 - 8 on February 12th. The measure was then taken up by the House and passed by a vote of 363-62. The bill was signed into law by President Trump on March 12, 2019.

INFORMATION
ITEM
2D



CALIFORNIA STRATEGIES, LLC

Date: June 26, 2019
To: Inland Empire Utilities Agency
From: John Withers, Jim Brulte
Re: June 2019 Activity Report

1. This month Jim Brulte and John Withers participated in the monthly senior staff meeting which was attended by senior Executive Management Team staff.
2. Regional Contract
 - Reviewed the activities to date regarding the regional contract
 - Discussed the various stakeholders and the concerns by stakeholder members
 - Discussed the regional water allocation issue and impacts and perception by member agencies
3. Biennial Budget
 - Discussed recycled water interties
 - Reviewed issues raised by advisory committee related to water ownership
4. Chino Basin Program
 - Reviewed the preliminary design report workshops
 - Discussed the upcoming joint IEUA/Watermaster Board meeting
5. Rate Study
 - Discussed third workshop
 - Discussed proposed draft connection fees and approach to implementation and political adoption process
6. Discussed personnel changes and potential impacts on IEUA
7. Member Questions and Answers
 - Answered questions from IEUA Board members and the GM since the meeting