Senate Bill 88
(Committee on Budget and Fiscal Review)
Water as chaptered

Attachment 5

SB 88 (Committee on Budget and Fiscal Review) Water.

Status

6/24/2015 - Chaptered by Secretary of State - Chapter 27, Statutes of 2015

Summary

Existing law, the California Safe Drinking Water Act, provides for the operation of public water systems, and imposes on the State Water Resources Control Board various responsibilities and duties. Existing law requires the state board to conduct research, studies, and demonstration projects relating to the provision of a dependable, safe supply of drinking water, to adopt regulations to implement the California Safe Drinking Water Act, and to enforce provisions of the federal Safe Drinking Water Act. Existing law prohibits a person from operating a public water system unless the person first submits an application to the state board and receives a permit issued by the state board, as specified. This bill would authorize the state board to order consolidation with a receiving water system where a public water system, or a state small water system within a disadvantaged community, consistently fails to provide an adequate supply of safe drinking water. This bill would authorize the state board to order the extension of service to an area that does not have access to an adequate supply of safe drinking water so long as the extension of service is an interim extension of service in preparation for consolidation. The bill would require the state board, prior to ordering consolidation or extension of service, to conduct an initial public meeting and a public hearing and to make specified findings. The bill would limit the liability of a consolidated water system, wholesaler, or any other agency in the chain of distribution that delivers water to a consolidated water system, as specified. This bill contains other related provisions and other existing laws. (Based on text date 6/24/2015)

Bill Text

06/24/2015 Chaptered html pdf atl
06/19/2015 Enrolled html pdf atl
06/17/2015 Amended html pdf atl
01/09/2015 Introduced html pdf atl

Analyses

06/19/2015 A - FLOOR ANALYSIS
06/19/2015 S - FLOOR ANALYSES
03/20/2015 S - FLOOR ANALYSES

Votes

06/19/2015 ASM. FLOOR - (Y: 52 N: 28 A: 0) (P)
06/19/2015 SEN. FLOOR - (Y: 24 N: 14 A: 2) (P)
03/23/2015 SEN. FLOOR - (Y: 23 N: 13 A: 3) (P)

History

06/23/2015 June 23 Enrolled and presented to the Governor at 9:30 a.m.

06/19/2015 June 19 Unanimous consent granted to take up without reference to file. Assembly amendments concurred in. (Ayes 24. Noes 14. Page 1512.) Ordered to engrossing and enrolling.

06/19/2015 June 19 In Senate. Concurrence in Assembly amendments pending.

06/19/2015 June 19 Assembly Rule 96 suspended. Withdrawn from committee. Ordered to third reading. Assembly Rule 63 suspended. Read third time. Passed. (Ayes 52. Noes 28. Page 2054.) Ordered to the Senate.

06/17/2015 June 17 From committee with author's amendments. Read second time and amended. Re-referred to Com. on BUDGET.

03/23/2015 Mar. 23 Referred to Com. on BUDGET.

03/23/2015 Mar. 23 In Assembly. Read first time. Held at Desk.

03/23/2015 Mar. 23 Read third time. Passed. (Ayes 23. Noes 13. Page 382.) Ordered to the Assembly.

03/19/2015 Mar. 19 Read second time. Ordered to third reading.

03/18/2015 Mar. 18 From committee: Ordered to second reading.

02/05/2015 Feb. 5 Referred to Com. on RLS.

01/12/2015 Jan. 12 Read first time.

01/12/2015 Jan. 12 From printer. May be acted upon on or after February 11.

01/09/2015 Jan. 9 Introduced. To Com. on RLS. for assignment. To print.

7/13/2015 9:53:59 AM

BILL ANALYSIS

SB 88

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(Without Reference to File)

SENATE THIRD READING

SB
88 (Committee on Budget and Fiscal Review)

As Amended June 17, 2015

Majority vote. Budget Bill Appropriation Takes Effect Immediately

SENATE VOTE: Vote not relevant

SUMMARY: This is the Drought Trailer Bill for 2015-16. It contains necessary changes related to the Budget Act of 2015. This bill makes various statutory changes related to water and drought relief to implement the 2015-16 budget and appropriates $10 million for water efficiency. Specifically, this bill:

1) Drought Water System Consolidation. Authorizes the State Water Resources Control Board (State Water Board) to require water systems that are serving disadvantaged communities with unreliable and unsafe drinking water to consolidate with or receive service from public water systems with safe, reliable, and adequate drinking water.
2) Recycled Water Projects CEQA Exemption. Provides a narrowly tailored California Environmental Quality Act (CEQA) exemption during a drought state of emergency proclaimed by the Governor

for a public agency to mitigate drought conditions by building or expanding a recycled water pipeline and related groundwater replenishment infrastructure if it is within existing rights of way, does not impact wetlands or sensitive habitat, and where the construction impacts are fully mitigated. Authority sunsets on January 1, 2017.

3) Recycled Water Codes CEQA Exemption. Exempts the development of new building codes related to dual plumbing from certain CEQA provisions for one code update cycle.

4) Well Ordinances CEQA Exemption. Includes legislative findings clarifying that local governments may regulate groundwater pursuant to their police power and provides a limited CEQA exemption for adopting a groundwater protection ordinance. That exemption would expire within two years, or upon the cessation of the current Drought State of Emergency, whichever is later.

5) Drought Expanded Local Enforcement Authority. Allows local water agencies to issue penalties for violations of local and state water conservation requirements but limits penalties to up to $1,000 for the first violation (increasing for continuing violations) unless the violator has shown intent and the nature of the violation is substantial.

6) Drought Penalties. Requires the State Water Board to separately account for penalties assessed for violations of emergency conservation regulations and deposit such funds into the Water Rights Fund for appropriation by the Legislature to support water conservation activities.

7) Drought Monitoring and Reporting. Requires that diversions in excess of 10 acre feet of water per year, with some

exceptions, must have a measuring device or a method of measurement for diversions. Authorizes the State Water Board to adopt emergency regulations to implement the measuring device requirement and increases the frequency of water diversion reporting to be at least annually. Consideration is given for cost feasibility and a one-year exemption is included for parties in voluntary settlement with the State Water Board regarding water curtailments.

8) Proposition 1 (2014) Clarifications and Accountability. Requires the Natural Resources Agency to provide specific information on projects funded by Proposition 1 and requires state agencies to provide outcomes and metrics for projects funded.

9) Water Efficiency Revolving Fund Appropriation. Appropriates $10 million of Proposition 1 to the CalConserve Revolving Fund for low-interest loans for water efficiency upgrades.

COMMENTS: This bill contains the statutory changes necessary to implement this bill related to drought and water. It contains nine main components:

1) Drought Water System Consolidation. Authorizes the State Water Board to require consolidation of water systems in disadvantaged communities in unincorporated areas or served by mutual water companies with a chronic lack of adequate, safe, and reliable drinking water.
2) Recycled Water Projects CEQA Exemption. Provides a CEQA exemption for a narrow class of water recycling projects that will not impact sensitive environments.

3) Recycled Water Codes CEQA Exemption. Provides a CEQA exemption in order to streamline the adoption of building

codes related to dual plumbing and facilitate water savings.

4) Well Ordinance CEQA Exemption. Provides legislative findings clarifying that local governments may regulate groundwater pursuant to their police power and provides a limited CEQA exemption for adopting a groundwater protection ordinance. That exemption would expire within two years, or upon the cessation of the current Drought State of Emergency, whichever is later.

5) Drought Expanded Local Enforcement Authority. Allows any public entity that supplies water to assess, including administratively, up to a $10,000 penalty for violation of an emergency conservation regulation. Limits the level of fines for a first time violation to a maximum of $1,000 unless the residential user had actual notice of the requirement, the conduct was intentional and the amount of water was substantial.

6) Drought Penalties. Directs State Water Board civil penalties collected from violations of water conservation regulations into a fund to be used, upon appropriation by the Legislature, for statewide water conservation activities and programs.

7) Drought Monitoring and Reporting. This is a two part proposal. Makes the State Water Board's temporary drought-related $500/day administrative enforcement penalty authority permanent. Also requires annual water measurement reporting to the State Water Board for water uses of 10 acre-feet per annum or more. However, this bill incorporates flexibility regarding the device or method of measurement and exceptions to the monitoring requirements if strict compliance is infeasible, unreasonably expensive, adequately addressed by other conditions, or deemed unnecessary for a smaller diversion. Provides a one-year extension for parties that

settled with the State Water Board on voluntary diversion reductions.

8) Proposition 1 Clarifications and Accountability. Facilitates bond accountability by requiring grantees to evaluate outcomes for projects funded by Proposition 1 and requires the California Natural Resources Agency to post to its web site changes in project time lines and funding.

9) Water Efficiency Revolving Fund Appropriation. Appropriates $10 million of Proposition 1 to the CalConserve Revolving Fund for a pilot project for local agencies to provide water efficiency upgrades to eligible residents at no upfront cost through low-interest loans that can be repaid through utility bills.

Analysis Prepared by: Gabrielle Meindl /
BUDGET / (916) 319-2099 FN: 0001029

Senate Bill No. 88

CHAPTER 27

An act to add Sections 116680, 116681, 116682, and 116684 to the Health and Safety Code, to add and repeal Sections 21080.08, 21080.45, and 21080.46 of the Public Resources Code, and to amend Sections 375, 375.5, 377, 1058.5, 1552, 1846, 5103, and 5104 of, to add Sections 377.5, 79708.5, and 79716.5 to, and to add Article 3 (commencing with Section 1840) to Chapter 12 of Part 2 of Division 2 of, the Water Code, relating to water, and making an appropriation therefor, to take effect immediately, bill related to the budget.

[Approved by Governor June 24, 2015. Filed with Secretary of State June 24, 2015.]

LEGISLATIVE COUNSEL'S DIGEST

SB 88, Committee on Budget and Fiscal Review. Water.

(1) Existing law, the California Safe Drinking Water Act, provides for the operation of public water systems, and imposes on the State Water Resources Control Board various responsibilities and duties. Existing law requires the state board to conduct research, studies, and demonstration projects relating to the provision of a dependable, safe supply of drinking water, to adopt regulations to implement the California Safe Drinking Water Act, and to enforce provisions of the federal Safe Drinking Water Act. Existing law prohibits a person from operating a public water system unless the person first submits an application to the state board and receives a permit issued by the state board, as specified.

This bill would authorize the state board to order consolidation with a receiving water system where a public water system, or a state small water system within a disadvantaged community, consistently fails to provide an adequate supply of safe drinking water. This bill would authorize the state board to order the extension of service to an area that does not have access to an adequate supply of safe drinking water so long as the extension of service is an interim extension of service in preparation for consolidation. The bill would require the state board, prior to ordering consolidation or extension of service, to conduct an initial public meeting and a public hearing and to make specified findings. The bill would limit the liability of a consolidated water system, wholesaler, or any other agency in the chain of distribution that delivers water to a consolidated water system, as specified.

(2) Existing law, the California Environmental Quality Act (CEQA), requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project

will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. CEQA exempts certain projects from its requirements.

This bill would, until January 1, 2017, or a specified date, whichever is earlier, exempt from CEQA certain groundwater replenishment projects.

This bill would, until July 1, 2017, exempt from CEQA the development and approval of building standards by state agencies for recycled water systems.

This bill would, with specified exceptions and until July 1, 2017, or a specified date, whichever is later, exempt from CEQA the adoption of an ordinance to impose stricter conditions on the issuance of well permits or changes in the intensity of land use that would increase demand on groundwater.

(3) The California Constitution declares that the general welfare of the state requires that the water resources of the state be put to beneficial use to the fullest extent of which they are capable, and that the right to the use of water does not extend to the waste or unreasonable use, method of use, or method of diversion of water. Existing law requires the state board to take all appropriate proceedings or actions to prevent waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion of water in this state. Existing law states the intent of the Legislature that the state take vigorous action to enforce the terms and conditions of permits, licenses, certifications, and registrations to appropriate water, to enforce state board orders and decisions, and to prevent the unlawful diversion of water.

This bill would, commencing January 1, 2016, require a person who diverts 10 acre-feet of water per year or more under a permit or license to install and maintain a device or employ a method capable of measuring the rate of direct diversion, rate of collection to storage, and rate of withdrawal or release from storage, as specified, and with certain exceptions. This bill would require the permittee or licensee to maintain a record of all diversion monitoring and the total amount of water diverted and submit these records to the state board, as prescribed. This bill would require a person who diverts water under a registration, permit, or license to report to the state board, at least annually. This bill would authorize the state board to adopt regulations requiring measurement and reporting of water diversion and use by specified persons and would require that the initial regulations be adopted as emergency regulations and that these emergency regulations remain in effect until revised by the state board. This bill would exempt from CEQA the adoption of the initial regulations by the state board.

(4) Existing law authorizes a person or entity in violation of a term or condition of a permit, license, certificate, or registration issued by, an order adopted by, or certain emergency regulations adopted by, the state board to

be civilly liable for an amount not to exceed $500 for each day in which the violation occurs.

This bill would expand this civil liability to any violation of any regulation adopted by the state board.

Existing law makes this civil liability applicable only in a critically dry year immediately preceded by 2 or more consecutive below normal, dry, or critically dry years or during a period for which the Governor has issued a proclamation of a state of emergency based on drought conditions.

This bill would eliminate this requirement.

(5) Existing law, with certain exceptions, requires each person who diverts water after December 31, 1965, to file with the state board a statement of diversion and use, and to include specified information. Existing law requires supplemental statements of diversion and use to be filed at 3-year intervals prior to July 1 of the year next succeeding the end of each interval, and requires, if there is a change in the name or address of the person diverting water, a supplemental statement be filed with the state board that includes the change. Existing law provides that the making of a material misstatement in connection with these provisions is a misdemeanor punishable as prescribed.

This bill would require supplemental statements of diversion and use to be filed annually prior to July 1, as provided. By expanding the definition of a crime, this bill would impose a state-mandated local program.

Existing law requires each statement of diversion and use, on and after January 1, 2012, to include monthly records of water diversions using best available technologies and best professional practices. Existing law prohibits this requirement from being construed to require the implementation of technologies or practices by a person who provides to the state board documentation demonstrating that the implementation of those practices is not locally cost effective.

This bill would require each statement to include at least monthly records of water diversions and would eliminate the above-described prohibition.

(6) Under existing law, emergency regulations of the state board are not subject to review by the Office of Administrative Law if the state board adopts findings that the emergency regulations are adopted to prevent the waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion, of water to promote wastewater reclamation, or to promote water conservation, and that the emergency regulations are adopted in response to conditions which exist, or are threatened, in a critically dry year immediately preceded by 2 or more consecutive dry or critically dry years. Under existing law, a person who violates an emergency regulation adopted by the state board pursuant to these provisions or violates certain cease and desist orders relating to the enforcement of water rights may be liable for specified amounts. Revenues generated from these penalties are deposited into the Water Rights Fund, which are available, upon appropriation, for specified purposes.

This bill would require that a civil liability imposed for a violation of an emergency conservation regulation, as defined, that is adopted pursuant to

these provisions, or a violation of a cease and desist order of that emergency conservation regulation, be deposited, and separately accounted for, in the Water Rights Fund. The bill would require those funds to be available, upon appropriation by the Legislature, for water conservation activities and programs.

(7) Existing law authorizes any public entity, as defined, that supplies water at retail or wholesale for the benefit of persons within the service area or area of jurisdiction of the public entity to, by ordinance or resolution, adopt and enforce a water conservation program to reduce the quantity of water used for the purpose of conserving the water supplies of the public entity. Existing law provides that a violation of a requirement of a water conservation program is a misdemeanor punishable by imprisonment in the county jail for not more than 30 days, or by a fine not exceeding $1,000, or both.

This bill would provide that a court or public entity may hold a person civilly liable in an amount not to exceed $10,000 for a violation of a water conservation program ordinance or resolution, or certain emergency regulations adopted by the state board. This bill would prohibit the civil liability assessed by a court or public entity for the first violation by a residential water user from exceeding $1,000, except as specified. This bill would provide that commencing on the 31st day after the public entity has notified the person of the violation, the person additionally may be civilly liable for an amount not to exceed $10,000 plus $500 for each additional day on which the violation continues. This bill would require civil liability imposed pursuant to these provisions to be paid to the public entity and to be expended solely for the purposes of the water conservation program. In addition to these remedies, this bill would authorize a public entity to enforce water use limitations by a volumetric penalty in an amount established by the public entity.

(8) Existing law, the Water Quality, Supply, and Infrastructure Improvement Act of 2014, approved by the voters as Proposition 1 at the November 4, 2014, statewide general election, authorizes the issuance of general obligation bonds in the amount of $7,545,000,000 to finance a water quality, supply, and infrastructure improvement program. The act requires each state agency that receives an appropriation from the funding made available by the act to administer a competitive grant or loan program under the act's provisions to develop and adopt project solicitation and evaluation guidelines before disbursing the grants or loans. The act requires the Secretary of the Natural Resources Agency to publish and post on the Natural Resources Agency's Internet Web site a list of expenditures pursuant to the act not less than annually, as prescribed, and to post on that Internet Web site the guidelines submitted by state agencies and the secretary's verification that the guidelines are consistent with applicable statutes and the purposes of the act.

This bill would require the secretary to post on the Natural Resources Agency's Internet Web site information on changes to project timelines and project spending, in order to facilitate oversight of funding and projects.

The act requires each state agency that receives an appropriation of funding made available by the act to be responsible for establishing metrics of success and reporting the status of projects and all uses of the funding on the state's bond accountability Internet Web site.

This bill would require each state agency that receives an appropriation of funding made available by the act to evaluate the outcomes of projects, report this evaluation on the state's bond accountability Internet Web site, and to hold a grantee of funds accountable for completing projects funded by the act on time and within scope.

(9) The bond act provides that the sum of $810,000,000 is to be available, upon appropriation by the Legislature, for expenditures on, and competitive grants and loans to, projects that are included in and implemented in an adopted integrated regional water management plan and respond to climate change and contribute to regional water security. The bond act authorizes the use of $100,000,000 of those funds for direct expenditures, and for grants and loans, for certain water conservation and water use efficiency plans, projects, and programs. Existing law establishes the CalConserve Water Use Efficiency Revolving Fund and provides that the moneys in the fund are available to the Department of Water Resources, upon appropriation by the Legislature, for the purpose of water use efficiency projects. Existing law requires moneys in the fund to be used for purposes that include, but are not limited to, at or below market interest rate loans to local agencies, as defined, and permits the department to enter into agreements with local agencies that provide water or recycled water service to provide loans.

Existing law transferred to the fund the sum of $10,000,000 of the proceeds of these bonds for water conservation and water use efficiency projects and programs to achieve urban water use targets. Existing law requires the department to use $5,000,000 for a pilot project for local agencies to provide water efficiency upgrades to eligible residents and requires the department to use the other $5,000,000 for local agencies to provide low-interest loans to customers to finance the installation of onsite improvements to repair or replace, as necessary, cracked or leaking water pipes to conserve water.

This bill would appropriate the sum of $10,000,000 available in the fund from the proceeds of the bond act for the purpose of these provisions.

(10) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

(11) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 116680 is added to the Health and Safety Code, to read:

116680. The Legislature finds and declares as follows:

(a) It is the policy of the state to encourage orderly growth and development, which are essential to the social, fiscal, and economic well-being of the state. The Legislature recognizes that the logical formation, consolidation, and operation of water systems is an important factor in promoting orderly development and in balancing that development against sometimes competing state interests of discouraging urban sprawl, preserving open space and prime agricultural lands, and efficiently extending other government services. Therefore, the policy of the state should be affected by the logical formation, consolidation, and operation of water systems.

(b) The powers set forth in Section 116682 for consolidation of water systems are consistent with the intent of promoting orderly growth.

SEC. 2. Section 116681 is added to the Health and Safety Code, to read:

116681. The following definitions shall apply to this section and Sections 116682 and 116684:

(a) "Adequate supply" means sufficient water to meet residents' health and safety needs.

(b) "Affected residence" means a residence reliant on a water supply that is either inadequate or unsafe.

(c) "Consistently fails" means a failure to provide an adequate supply of safe drinking water.

(d) "Consolidated water system" means the public water system resulting from the consolidation of a public water system with another public water system, state small water system, or affected residences not served by a public water system.

(e) "Consolidation" means joining two or more public water systems, state small water systems, or affected residences not served by a public water system, into a single public water system.

(f) "Disadvantaged community" means a disadvantaged community, as defined in Section 79505.5 of the Water Code, that is in an unincorporated area or is served by a mutual water company.

(g) "Extension of service" means the provision of service through any physical or operational infrastructure arrangement other than consolidation.

(h) "Receiving water system" means the public water system that provides service to a subsumed water system through consolidation or extension of service.

(i) "Safe drinking water" means water that meets all primary and secondary drinking water standards.

(j) "Subsumed water system" means the public water system, state small water system, or affected residences not served by a public water system consolidated into or receiving service from the receiving water system.

SEC. 3. Section 116682 is added to the Health and Safety Code, to read:

116682. (a) Where a public water system, or a state small water system within a disadvantaged community, consistently fails to provide an adequate supply of safe drinking water, the State Water Resources Control Board may order consolidation with a receiving water system as provided in this section and Section 116684. The consolidation may be physical or operational. The State Water Resources Control Board may also order the extension of service to an area that does not have access to an adequate supply of safe drinking water so long as the extension of service is an interim extension of service in preparation for consolidation. The State Water Resources Control Board may set timelines and performance measures to facilitate completion of consolidation.

(b) Prior to ordering consolidation or extension of service as provided in this section, the State Water Resources Control Board shall do all of the following:

(1) Encourage voluntary consolidation or extension of service.

(2) Consider other enforcement remedies specified in this article.

(3) Consult with, and fully consider input from, the relevant local agency formation commission regarding the provision of water service in the affected area, the recommendations for improving service in a municipal service review, and any other relevant information.

(4) Consult with, and fully consider input from, the Public Utilities Commission when the consolidation would involve a water corporation subject to the commission's jurisdiction.

(5) Consult with, and fully consider input from, the local government with land use planning authority over the affected area, particularly regarding any information in the general plan required by Section 65302.10 of the Government Code.

(6) Notify the potentially receiving water system and the potentially subsumed water system, if any, and establish a reasonable deadline of no less than six months, unless a shorter period is justified, for the potentially receiving water system and the potentially subsumed water system, if any, to negotiate consolidation or another means of providing an adequate supply of safe drinking water.

(A) During this period, the State Water Resources Control Board shall provide technical assistance and work with the potentially receiving water system and the potentially subsumed water system to develop a financing package that benefits both the receiving water system and the subsumed water system.

(B) Upon a showing of good cause, the deadline may be extended by the State Water Resources Control Board at the request of the potentially receiving water system, potentially subsumed water system, or the local agency formation commission with jurisdiction over the potentially subsumed water system.

(7) Obtain written consent from any domestic well owner for consolidation or extension of service. Any affected resident within the consolidation or extended service area who does not provide written consent shall be ineligible, until the consent is provided, for any future water-related

grant funding from the state other than funding to mitigate a well failure, disaster, or other emergency.

(8) Hold at least one public meeting at the initiation of this process in a place as close as feasible to the affected areas. The State Water Resources Control Board shall make reasonable efforts to provide a 30-day notice of the meeting to the ratepayers, renters, and property owners to receive water service through service extension or in the area of the subsumed water system and all affected local government agencies and drinking water service providers. The meeting shall provide representatives of the potentially subsumed water system, affected ratepayers, renters, property owners, and the potentially receiving water system an opportunity to present testimony. The meeting shall provide an opportunity for public comment.

(c) Upon expiration of the deadline set by the State Water Resources Control Board pursuant to paragraph (6) of subdivision (b), the State Water Resources Control Board shall do the following:

(1) Consult with the potentially receiving water system and the potentially subsumed water system, if any.

(2) Conduct a public hearing, in a location as close as feasible to the affected communities.

(A) The State Water Resources Control Board shall make reasonable efforts to provide a 30-day notice of the hearing to the ratepayers, renters, and property owners to receive water service through service extension or in the area of the subsumed water system and to all affected local government agencies and drinking water service providers.

(B) The hearing shall provide representatives of the potentially subsumed water system, affected ratepayers, renters, property owners, and the potentially receiving water system an opportunity to present testimony.

(C) The hearing shall provide an opportunity for public comment.

(d) Prior to ordering consolidation or extension of service, the State Water Resources Control Board shall find all of the following:

(1) The potentially subsumed water system has consistently failed to provide an adequate supply of safe drinking water.

(2) All reasonable efforts to negotiate consolidation or extension of service were made.

(3) Consolidation of the receiving water system and subsumed water system or extension of service is appropriate and technically and economically feasible.

(4) There is no pending local agency formation commission process that is likely to resolve the problem in a reasonable amount of time.

(5) Concerns regarding water rights and water contracts of the subsumed and receiving water systems have been adequately addressed.

(6) Consolidation or extension of service is the most effective and cost-effective means to provide an adequate supply of safe drinking water.

(7) The capacity of the proposed interconnection needed to accomplish the consolidation is limited to serving the current customers of the subsumed water system.

(e) Upon ordering consolidation or extension of service, the State Water Resources Control Board shall do all of the following:

(1) As necessary and appropriate, make funds available, upon appropriation by the Legislature, to the receiving water system for the costs of completing the consolidation or extension of service, including, but not limited to, replacing any capacity lost as a result of the consolidation or extension of service, providing additional capacity needed as a result of the consolidation or extension of service, and legal fees. Funding pursuant to this paragraph is available for the general purpose of providing financial assistance for the infrastructure needed for the consolidation or extension of service and does not need to be specific to each individual consolidation project. The State Water Resources Control Board shall provide appropriate financial assistance for the infrastructure needed for the consolidation or extension of service. The State Water Resources Control Board's existing financial assistance guidelines and policies shall be the basis for the financial assistance.

(2) Ensure payment of standard local agency formation commission fees caused by State Water Resources Control Board-ordered consolidation or extension of service.

(3) Adequately compensate the owners of a privately owned subsumed water system for the fair market value of the system as determined by the Public Utilities Commission for water corporations subject to the commission's jurisdiction or the State Water Resources Control Board for all other water systems.

(4) Coordinate with the appropriate local agency formation commission and other relevant local agencies to facilitate the change of organization or reorganization.

(f) For the purposes of this section, the consolidated water system shall not increase charges on existing customers of the receiving water system solely as a consequence of the consolidation or extension of service unless the customers receive a corresponding benefit.

(g) Division 3 (commencing with Section 56000) of Title 5 of the Government Code shall not apply to the consolidation or extension of service required pursuant to this section.

SEC. 4. Section 116684 is added to the Health and Safety Code, to read:

116684. (a) Liability of a consolidated water system, wholesaler, or any other agency in the chain of distribution that delivers water to a consolidated water system shall be limited as described in this section.

(b) (1) The consolidated water system, wholesaler, or any other agency in the chain of distribution that delivers water to a consolidated water system, shall not be held liable for claims by past or existing customers or those who consumed water provided through the subsumed water system concerning the operation and supply of water from the subsumed water system during the interim operation period specified in subdivision (d) for any good faith, reasonable effort using ordinary care to assume possession of, to operate, or to supply water to the subsumed water system.

(2) The consolidated water system, wholesaler, or any other agency in the chain of distribution that delivers water to a consolidated water system, shall not be held liable for claims by past or existing customers or by those who consumed water provided through the subsumed water system for any injury that occurred prior to the commencement of the interim operation period specified in subdivision (d).

(c) (1) The consolidated water system, wholesaler, or any other agency in the chain of distribution that delivers water to a consolidated water system, shall not be held liable for claims by past or existing customers or by those who consumed water provided through the subsumed water system concerning the provision of supplemental imported water supplies to the subsumed water system during the interim operation period specified in subdivision (d) for any good faith, reasonable effort using ordinary care to supply water to the subsumed water system.

(2) The consolidated water system, wholesaler, or any other agency in the chain of distribution that delivers water to a consolidated water system, shall not be held liable for claims by past or existing customers or by those who consumed water provided through the subsumed water system concerning the operation and supply of water from the subsumed water system for any injury that occurred prior to the commencement of the interim operation period specified in subdivision (d).

(3) This subdivision shall only apply if the water supplied by the consolidated water system through a temporary potable service pipeline to the subsumed water system meets or exceeds federal and state drinking water quality standards.

(d) (1) The interim operation period shall commence upon the connection of a temporary potable service pipeline by the consolidated water system to the subsumed water system, or upon the execution of an agreement between the consolidated water system, subsumed water system, and any other signatories to provide service to the customers of the subsumed water system, whichever occurs first.

(2) (A) Except as provided in subparagraph (B), the interim operation period shall last until permanent replacement facilities are accepted by the consolidated water system with the concurrence of the State Water Resources Control Board and the facilities and water supply meet drinking water and water quality standards.

(B) Upon the showing of good cause, the interim operation period shall be extended by the State Water Resources Control Board for up to three successive one-year periods at the request of the consolidated water system.

(3) The acceptance date of permanent replacement facilities shall be publicly noticed by the consolidated water system.

(e) Subdivision (b) shall only apply if the consolidated water system provides water to the subsumed water system in accordance with all of the following conditions:

(1) Water provided by the consolidated water system through a temporary potable service pipeline to the subsumed water system shall meet or exceed federal and state drinking water quality standards.

(2) Reasonable water system flow and pressure through a temporary potable service pipeline shall be maintained during the interim operation period based upon the condition and integrity of the existing subsumed water system, and any disruptions to water delivery resulting from construction-related activities associated with the installation of permanent replacement facilities shall be minimal.

(3) The consolidated water system shall notify fire officials serving the subsumed water system service area of the condition and firefighting support capabilities of the subsumed water system and planned improvements with the installation of permanent replacement facilities thereto. The consolidated water system shall maintain or improve the condition and firefighting support capabilities of the subsumed water system during the interim operation period.

(4) Customers of the subsumed water system shall receive written notice upon any change in possession, control, or operation of the water system.

(f) Nothing in this section shall be construed to do any of the following:

(1) Relieve any water district, water wholesaler, or any other entity from complying with any provision of federal or state law pertaining to drinking water quality.

(2) Impair any cause of action by the Attorney General, a district attorney, a city attorney, or any other public prosecutor, or impair any other action or proceeding brought by or on behalf of a regulatory agency.

(3) Impair any claim alleging the taking of property without compensation within the meaning of either the Fifth Amendment to the United States Constitution or Section 19 of Article I of the California Constitution.

SEC. 5. The Legislature finds and declares all of the following:

(a) Section 7 of Article XI of the California Constitution authorizes a county or city to "make and enforce within its limits all local, police, sanitary, and other ordinances and regulations not in conflict with general laws."

(b) The California Supreme Court has held that local regulations affecting economic interests in property are within local governments' police power (Birkenfeld v. City of Berkeley (1976) 17 Cal.3d 129, 158).

(c) Counties may reasonably regulate land use under their police powers (Associated Home Builders etc., Inc., v. City of Livermore (1976) 18 Cal.3d 582).

(d) Counties may regulate groundwater, including well permitting, under their police powers (Baldwin v. County of Tehama (1994) 31 Cal.App.4th 166, 175-76), and numerous counties have exercised this authority through ordinances.

(e) The Legislature enacted the Sustainable Groundwater Management Act (Part 2.74 (commencing with Section 10720) of Division 6 of the Water Code) to ensure that local agencies manage their high- and medium-priority groundwater basins sustainably. That act does not require the adoption of local groundwater sustainability plans until 2020 or 2022. Under the act, counties retain their authority to issue well permits.

(f) As local agencies are transitioning to the implementation of the Sustainable Groundwater Management Act, unregulated well permitting in stressed high- and medium-priority groundwater basins during the ongoing drought emergency is causing risks to the health, safety, and well-being of citizens.

SEC. 6. Section 21080.08 is added to the Public Resources Code, to read:

21080.08. (a) This division does not apply to a project that satisfies both of the following:

(1) The project is approved or carried out by a public agency for the purpose of mitigating drought conditions for which a state of emergency was proclaimed by the Governor on January 17, 2014, pursuant to Chapter 7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code.

(2) The project consists of construction or expansion of recycled water pipeline and directly related infrastructure within existing rights of way, and directly related groundwater replenishment, if the project does not affect wetlands or sensitive habitat, and where the construction impacts are fully mitigated consistent with applicable law.

(b) This section shall remain operative until the state of emergency due to drought conditions declared by the Governor in the proclamation issued on January 17, 2014, has expired or until January 1, 2017, whichever occurs first, and as of January 1, 2017, is repealed unless a subsequent statute amends or repeals that date.

SEC. 7. Section 21080.45 is added to the Public Resources Code, to read:

21080.45. (a) This division does not apply to the development and approval of building standards by state agencies for recycled water systems.

(b) This section shall become inoperative on July 1, 2017, and, as of January 1, 2018, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2018, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 8. Section 21080.46 is added to the Public Resources Code, to read:

21080.46. (a) Without limiting any other statutory exemption or categorical exemption, this division does not apply to the adoption of an ordinance by a city, county, or city and county to limit or prohibit the drilling of new or deeper groundwater wells, or to limit or prohibit increased extractions from existing groundwater wells, through stricter conditions on the issuance of well permits or changes in the intensity of land use that would increase demand on groundwater.

(b) (1) This section shall remain operative until July 1, 2017, or so long as the state of emergency due to drought conditions declared by the Governor in the proclamation of a state of emergency issued on January 17, 2014, remains in effect, whichever is later.

(2) This section is repealed on January 1 of the year following the date on which this section becomes inoperative.

(c) Notwithstanding subdivision (a) or (b), this section does not apply to either of the following:

(1) The issuance of any permit for a new or deeper groundwater well by a city, county, or city and county.

(2) The adoption of any ordinance affecting or relating to new residential, commercial, institutional, or industrial projects or any mix of these uses, or any change in the intensity or use of land for these purposes, if that project or change in use requires approval by a city, county, or city and county. Nor does this section apply to the adoption of any ordinance that would limit or prohibit new or deeper groundwater wells, or increased extraction from existing groundwater wells, that may be needed to serve these projects.

SEC. 9. Section 375 of the Water Code is amended to read:

375. (a) Notwithstanding any other law, any public entity that supplies water at retail or wholesale for the benefit of persons within the service area or area of jurisdiction of the public entity may, by ordinance or resolution adopted by a majority of the members of the governing body after holding a public hearing upon notice and making appropriate findings of necessity for the adoption of a water conservation program, adopt and enforce a water conservation program to reduce the quantity of water used by those persons for the purpose of conserving the water supplies of the public entity.

(b) With regard to water delivered for other than agricultural uses, the ordinance or resolution may specifically require the installation of water-saving devices that are designed to reduce water consumption. The ordinance or resolution may also encourage water conservation through rate structure design.

(c) For the purposes of this chapter, "public entity" means a city, whether general law or chartered, county, city and county, special district, agency, authority, any other municipal public corporation or district, or any other political subdivision of the state.

(d) For the purposes of this section and subdivisions (b) and (c) of Section 377, "person" means any person, firm, association, organization, partnership, business, trust, corporation, company, or public agency, including any city, county, city and county, district, joint powers authority, or any agency or department of a public agency.

SEC. 10. Section 375.5 of the Water Code is amended to read:

375.5. (a) A public entity may undertake water conservation and public education programs in conjunction with school districts, public libraries, or any other public entity.

(b) (1) A public entity may undertake water conservation and public education programs using an information booklet or materials for use in connection with the use or transfer of real estate containing up to four residential units. For the purposes of this subdivision, the public entity may use water conservation materials prepared by the department.

(2) It is the intent of the Legislature that on or before December 31, 2007, a review of the program be conducted to obtain information on both of the following matters:

(A) The extent to which public entities have undertaken water conservation and public education programs referred to in paragraph (1).

(B) The extent to which water conservation may be attributable to the implementation of water conservation and public education programs referred to in paragraph (1).

(c) A public entity may take into account any programs undertaken pursuant to this section in a rate structure design implemented pursuant to Section 375.

(d) The Legislature finds and declares that a program undertaken pursuant to this section is in the public interest, serves a public purpose, and will promote the health, welfare, and safety of the people of the state.

SEC. 11. Section 377 of the Water Code is amended to read:

377. (a) From and after the publication or posting of any ordinance or resolution pursuant to Section 376, violation of a requirement of a water conservation program adopted pursuant to Section 376 is a misdemeanor. A person convicted under this subdivision shall be punished by imprisonment in the county jail for not more than 30 days, or by fine not exceeding one thousand dollars ($1,000), or by both.

(b) A court or public entity may hold a person civilly liable in an amount not to exceed ten thousand dollars ($10,000) for a violation of any of the following:

(1) An ordinance or resolution adopted pursuant to Section 376.

(2) An emergency regulation adopted by the board under Section 1058.5, unless the board regulation provides that it cannot be enforced under this section.

(c) Commencing on the 31st day after the public entity notified a person of a violation described in subdivision (b), the person additionally may be civilly liable in an amount not to exceed ten thousand dollars ($10,000) plus five hundred dollars ($500) for each additional day on which the violation continues.

(d) Remedies prescribed in this section are cumulative and not alternative, except that no liability shall be recoverable under this section for any violation of paragraph (2) of subdivision (b) if the board has filed a complaint pursuant to Section 1846 alleging the same violation.

(e) A public entity may administratively impose the civil liability described in subdivisions (b) and (c) after providing notice and an opportunity for a hearing. The public entity shall initiate a proceeding under this subdivision by a complaint issued pursuant to Section 377.5. The public entity shall issue the complaint at least 30 days before the hearing on the complaint and the complaint shall state the basis for the proposed civil liability order.

(f) (1) In determining the amount of civil liability to assess, a court or public entity shall take into consideration all relevant circumstances, including, but not limited to, the nature and persistence of the violation, the extent of the harm caused by the violation, the length of time over which the violation occurs, and any corrective action taken by the violator.

(2) The civil liability calculated pursuant to paragraph (1) for the first violation of subdivision (b) by a residential water user shall not exceed one thousand dollars ($1,000) except in extraordinary situations where the court or public entity finds all of the following:

(A) The residential user had actual notice of the requirement found to be violated.

(B) The conduct was intentional.

(C) The amount of water involved was substantial.

(g) Civil liability imposed pursuant to this section shall be paid to the public entity and expended solely for the purposes of this chapter.

(h) An order setting administrative civil liability shall become effective and final upon issuance of the order and payment shall be made. Judicial review of any final order shall be pursuant to Section 1094.5 of the Code of Civil Procedure.

(i) In addition to the remedies prescribed in this section, a public entity may enforce water use limitations established by an ordinance or resolution adopted pursuant to this chapter, or as otherwise authorized by law, by a volumetric penalty in an amount established by the public entity.

SEC. 12. Section 377.5 is added to the Water Code, to read:

377.5. (a) A complaint or citation under subdivision (b) of Section 377 or subdivision (d) of Section 1058.5 may be issued by any of the following:

(1) A code enforcement officer, as defined in Section 829.5 of the Penal Code.

(2) A designee of the chief executive officer of a public entity authorized to adopt an ordinance or resolution under Section 375.

(3) A designee of the chief executive officer of a city, county, or city and county.

(b) For purposes of this section, the term "chief executive officer" includes a city manager, general manager, or other employee of the public entity who is the highest ranking officer or employee, other than a member of a multimember governing body, with responsibility for the operations of the public entity.

SEC. 13. Section 1058.5 of the Water Code is amended to read:

1058.5. (a) This section applies to any emergency regulation adopted by the board for which the board makes both of the following findings:

(1) The emergency regulation is adopted to prevent the waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion, of water, to promote water recycling or water conservation, to require curtailment of diversions when water is not available under the diverter's priority of right, or in furtherance of any of the foregoing, to require reporting of diversion or use or the preparation of monitoring reports.

(2) The emergency regulation is adopted in response to conditions which exist, or are threatened, in a critically dry year immediately preceded by two or more consecutive below normal, dry, or critically dry years or during a period for which the Governor has issued a proclamation of a state of emergency under the California Emergency Services Act (Chapter 7

(commencing with Section 8550) of Division 1 of Title 2 of the Government Code) based on drought conditions.

(b) Notwithstanding Sections 11346.1 and 11349.6 of the Government Code, any findings of emergency adopted by the board, in connection with the adoption of an emergency regulation under this section, are not subject to review by the Office of Administrative Law.

(c) An emergency regulation adopted by the board under this section may remain in effect for up to 270 days, as determined by the board, and is deemed repealed immediately upon a finding by the board that due to changed conditions it is no longer necessary for the regulation to remain in effect. An emergency regulation adopted by the board under this section may be renewed if the board determines that the conditions specified in paragraph (2) of subdivision (a) are still in effect.

(d) In addition to any other applicable civil or criminal penalties, any person or entity who violates a regulation adopted by the board pursuant to this section is guilty of an infraction punishable by a fine of up to five hundred dollars ($500) for each day in which the violation occurs.

(e) (1) Notwithstanding subdivision (b) of Section 1551, subdivision (d) of Section 1845, and subdivision (f) of Section 1846, a civil liability imposed under Chapter 12 (commencing with Section 1825) of Part 2 of Division 2 by the board or a court for a violation of an emergency conservation regulation adopted pursuant to this section shall be deposited, and separately accounted for, in the Water Rights Fund. Funds deposited in accordance with this subdivision shall be available, upon appropriation, for water conservation activities and programs.

(2) For purposes of this subdivision, an "emergency conservation regulation" means an emergency regulation that requires an end user of water, a water retailer, or a water wholesaler to conserve water or report to the board on water conservation. Water conservation includes restrictions or limitations on particular uses of water or a reduction in the amount of water used or served, but does not include curtailment of diversions when water is not available under the diverter's priority of right or reporting requirements related to curtailments.

SEC. 14. Section 1552 of the Water Code is amended to read:

1552. Except as provided in subdivision (e) of Section 1058.5, moneys in the Water Rights Fund are available for expenditure, upon appropriation by the Legislature, for the following purposes:

(a) For expenditure by the State Board of Equalization in the administration of this chapter and the Fee Collection Procedures Law (Part 30 (commencing with Section 55001) of Division 2 of the Revenue and Taxation Code) in connection with any fee or expense subject to this chapter.

(b) For the payment of refunds, pursuant to Part 30 (commencing with Section 55001) of Division 2 of the Revenue and Taxation Code, of fees or expenses collected pursuant to this chapter.

(c) For expenditure by the board for the purposes of carrying out this division, Division 1 (commencing with Section 100), Part 2 (commencing with Section 10500) and Chapter 11 (commencing with Section 10735) of

Part 2.74 of Division 6, and Article 7 (commencing with Section 13550) of Chapter 7 of Division 7.

(d) For expenditures by the board for the purposes of carrying out Sections 13160 and 13160.1 in connection with activities involving hydroelectric power projects subject to licensing by the Federal Energy Regulatory Commission.

(e) For expenditures by the board for the purposes of carrying out Sections 13140 and 13170 in connection with plans and policies that address the diversion or use of water.

SEC. 15. Article 3 (commencing with Section 1840) is added to Chapter 12 of Part 2 of Division 2 of the Water Code, to read:

Article 3. Monitoring and Reporting

1840. (a) (1) Except as provided in subdivision (b), a person who, on or after January 1, 2016, diverts 10 acre-feet of water per year or more under a permit or license shall install and maintain a device or employ a method capable of measuring the rate of direct diversion, rate of collection to storage, and rate of withdrawal or release from storage. The measurements shall be made using the best available technologies and best professional practices, as defined in Section 5100, using a device or methods satisfactory to the board, as follows:

(A) A device shall be capable of continuous monitoring of the rate and quantity of water diverted and shall be properly maintained. The permittee or licensee shall provide the board with evidence that the device has been installed with the first report submitted after installation of the device. The permittee or licensee shall provide the board with evidence demonstrating that the device is functioning properly as part of the reports submitted at five-year intervals after the report documenting installation of the device, or upon request of the board.

(B) In developing regulations pursuant to Section 1841, the board shall consider devices and methods that provide accurate measurement of the total amount diverted and the rate of diversion. The board shall consider devices and methods that provide accurate measurements within an acceptable range of error, including the following:

(i) Electricity records dedicated to a pump and recent pump test.

(ii) Staff gage calibrated with an acceptable streamflow rating curve.

(iii) Staff gage calibrated for a flume or weir.

(iv) Staff gage calibrated with an acceptable storage capacity curve.

(v) Pressure transducer and acceptable storage capacity curve.

(2) The permittee or licensee shall maintain a record of all diversion monitoring that includes the date, time, and diversion rate at time intervals of one hour or less, and the total amount of water diverted. These records shall be included with reports submitted under the permit or license, as required under subdivision (c), or upon request of the board.

(b) (1) The board may modify the requirements of subdivision (a) upon finding either of the following:

(A) That strict compliance is infeasible, is unreasonably expensive, would unreasonably affect public trust uses, or would result in the waste or unreasonable use of water.

(B) That the need for monitoring and reporting is adequately addressed by other conditions of the permit or license.

(2) The board may increase the 10-acre-foot reporting threshold of subdivision (a) in a watershed or subwatershed, after considering the diversion reporting threshold in relation to quantity of water within the watershed or subwatershed. The board may increase the 10-acre-foot reporting threshold to 25 acre-feet or above if it finds that the benefits of the additional information within the watershed or subwatershed are substantially outweighed by the cost of installing measuring devices or employing methods for measurement for diversions at the 10-acre-foot threshold.

(c) At least annually, a person who diverts water under a registration, permit, or license shall report to the board the following information:

(1) The quantity of water diverted by month.

(2) The maximum rate of diversion by months in the preceding calendar year.

(3) The information required by subdivision (a), if applicable.

(d) Compliance with the applicable requirements of this section is a condition of every registration, permit, or license.

1841. (a) The board may adopt regulations requiring measurement and reporting of water diversion and use by either of the following:

(1) Persons authorized to appropriate water under a permit, license, registration for small domestic, small irrigation, or livestock stockpond use, or certification for livestock stockpond use.

(2) Persons required to comply with measurement and reporting regulations pursuant to subparagraph (B) of paragraph (1) of subdivision (e) of Section 5103.

(b) The initial regulations that the board adopts pursuant to this section shall be adopted as emergency regulations in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The adoption of the initial regulations is an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health, safety, and general welfare. Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, any emergency regulations adopted under this section shall remain in effect until revised by the board.

(c) The adoption of the initial regulations pursuant to this article is exempt from Division 13 (commencing with Section 21000) of the Public Resources Code.

SEC. 16. Section 1846 of the Water Code is amended to read:

1846. (a) A person or entity may be liable for a violation of any of the following in an amount not to exceed five hundred dollars ($500) for each day in which the violation occurs:

(1) A term or condition of a permit, license, certificate, or registration issued under this division.

(2) A regulation or order adopted by the board.

(b) Civil liability may be imposed by the superior court. The Attorney General, upon the request of the board, shall petition the superior court to impose, assess, and recover those sums.

(c) Civil liability may be imposed administratively by the board pursuant to Section 1055.

(d) In determining the appropriate amount of civil liability, the court, pursuant to subdivision (b), or the board, pursuant to subdivision (c), may take into consideration all relevant circumstances, including, but not limited to, the extent of harm caused by the violation, the nature and persistence of the violation, the length of time over which the violation occurs, and the corrective action, if any, taken by the violator.

(e) No liability shall be recoverable under this section for any violation for which liability is recovered under Section 1052.

(f) All funds recovered pursuant to this section shall be deposited in the Water Rights Fund established pursuant to Section 1550.

SEC. 17. Section 5103 of the Water Code is amended to read:

5103. Each statement shall be prepared on a form provided by the board. The statement shall include all of the following information:

(a) The name and address of the person who diverted water and of the person filing the statement.

(b) The name of the stream or other source from which water was diverted, and the name of the next major stream or other body of water to which the source is tributary.

(c) The place of diversion. The location of the diversion works shall be depicted on a specific United States Geological Survey topographic map, or shall be identified using the California Coordinate System, or latitude and longitude measurements. If assigned, the public land description to the nearest 40-acre subdivision and the assessor's parcel number shall also be provided.

(d) The capacity of the diversion works and of the storage reservoir, if any, and the months in which water was used during the preceding calendar year.

(e) (1) (A) At least monthly records of water diversions. The measurements of the diversion shall be made in accordance with Section 1840.

(B) (i) On and after July 1, 2016, the measurement of a diversion of 10 acre-feet or more per year shall comply with regulations adopted by the board pursuant to Article 3 (commencing with Section 1840) of Chapter 12 of Part 2.

(ii) The requirement of clause (i) is extended to January 1, 2017, for any statement filer that enters into a voluntary agreement that is acceptable to

the board to reduce the statement filer's diversions during the 2015 irrigation season.

(2) (A) The terms of, and eligibility for, any grant or loan awarded or administered by the department, the board, or the California Bay-Delta Authority on behalf of a person that is subject to paragraph (1) shall be conditioned on compliance with that paragraph.

(B) Notwithstanding subparagraph (A), the board may determine that a person is eligible for a grant or loan even though the person is not complying with paragraph (1), if both of the following apply:

(i) The board determines that the grant or loan will assist the grantee or loan recipient in complying with paragraph (1).

(ii) The person has submitted to the board a one-year schedule for complying with paragraph (1).

(C) It is the intent of the Legislature that the requirements of this subdivision shall complement and not affect the scope of authority granted to the board by provisions of law other than this article.

(f) The purpose of use.

(g) A general description of the area in which the water was used. The location of the place of use shall be depicted on a specific United States Geological Survey topographic map and on any other maps with identifiable landmarks. If assigned, the public land description to the nearest 40-acre subdivision and the assessor's parcel number shall also be provided.

(h) The year in which the diversion was commenced as near as is known.

SEC. 18. Section 5104 of the Water Code is amended to read:

5104. (a) Supplemental statements shall be filed annually, before July 1 of each year. They shall contain the quantity of water diverted and the rate of diversion by months in the preceding calendar year and any change in the other information contained in the preceding statement.

(b) If there is a change in the name or address of the person diverting the water, a supplemental statement shall be filed with the board that includes the change in name or address.

(c) A supplemental statement filed prior to July 1, 2016, shall include data satisfying the requirements of subdivision (a) for any diversion of water in the 2012, 2013, and 2014 calendar years, that was not reported in a supplemental statement submitted prior to July 1, 2015.

(d) This section does not limit the authority of the board to require additional information or more frequent reporting under any other law.

SEC. 19. Section 79708.5 is added to the Water Code, to read:

79708.5. In addition to the information required pursuant to Section 79708, in order to facilitate oversight of funding and projects, the secretary shall post on the Natural Resources Agency's Internet Web site information on changes to project timelines and project spending.

SEC. 20. Section 79716.5 is added to the Water Code, to read:

79716.5. Each state agency that receives an appropriation of funding made available by this division shall do the following:

(a) Evaluate the outcomes of projects funded by this division.

(b) Include in the agency's reporting pursuant to Section 79716 the evaluation described in subdivision (a).

(c) Hold a grantee of funds accountable for completing projects funded by this division on time and within scope.

SEC. 21. The sum of ten million dollars ($10,000,000) available in the CalConserve Water Use Efficiency Revolving Fund from the proceeds of bonds issued pursuant to Division 26.7 (commencing with Section 79700) of the Water Code, is hereby appropriated for the purpose of Section 81023 of the Water Code.

SEC. 22. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

SEC. 23. This act is a bill providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, has been identified as related to the budget in the Budget Bill, and shall take effect immediately.

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