

## **Government Affairs Update**

## Please contact Assistant General Manager Brad Sherwood with any questions brad.sherwood@scwa.ca.gov

The FY 23 Senate appropriation bills were released earlier in August; we are happy with the outcome via our federal affairs platform – below are some of the Sonoma Water funding outcomes in collaboration with our stakeholder coalitions.

#### Wastewater

### Occidental County Sanitation District: \$1.45M

Summary: STAG/Clean Water State Revolving Fund. This funding is sufficient to complete all preconstruction activities on a wastewater pipeline that will convey wastewater from Occidental to a treatment plant in Graton, eliminating the need to truck the material about 20 miles to a treatment plant in northern Santa Rosa.

### Water Supply

### Advanced Quantitative Precipitation Information: \$1M

Summary: \$1M within the U.S. Weather Research Program for a regional radar array demonstration project to enable better forecasting of extreme West Coast precipitation events, like atmospheric rivers. Next Generation Phased Array Weather Radars.

## Forecast Information Reservoir Operations:\$10.5M (House mark \$7.5m)

Summary: The Committee is pleased with the results of FIRO Phases 1 and 2 and eagerly anticipates the expansion of the program into regions where different storm types, in addition to Atmospheric Rivers, are key to heavy rain and flooding (e.g., tropical storms/hurricanes, large thunderstorm systems), and where longer forecast lead times may be required. Additional funding is recommended to complete Phase 2, start Phase 3 efforts, and perform necessary updates to the CWMS Ensemble Tool.

# FIRO Water Control Manual updates: Increase of \$6M, FY23 request included \$29M for Water Control Manual Updates, including \$15.4M for California projects.

Summary: The Committee recommends additional funding of \$6,000,000 in Other Authorized Project Purposes for water control manual updates for non-Corps owned high hazard dams where: (1) the Corps has a responsibility for flood control operations under section 7 of the Flood Control Act of 1944; (2) the dam requires coordination of water releases with one or more other high-hazard dams for flood control

purposes; and (3) the dam owner is actively investigating the feasibility of applying forecast informed reservoir operations technology. Additional funding is provided for a comprehensive list of water control manuals at Corps-owned projects located in States where a Reclamation project is also located, including a prioritized list of needed updates of those manuals no later than 180 days following enactment of this act.

## Seasonal-to-Sub Seasonal Forecasting Pilot Program: \$1M

Summary: Within funding for the U.S. Weather Research Program, the Committee provides \$1,000,000 above the fiscal year 2022 enacted level for a subseasonal to seasonal research program to seed innovative research testbeds. Such efforts shall include a pilot project for subseasonal to seasonal precipitation forecasts for water management in the 50 western United States recommended in NOAA's report to Congress pursuant to section 201 of the Weather Research and Forecasting Innovation Act of 2017 (Public Law 115–25). The pilot project should be carried out in coordination with the National Weather Service and should be focused on achieving measurable objectives for operational forecast improvement, including forecasts of seasonal mountain snowpack accumulation and total seasonal precipitation.

### Pacific Coastal Salmon Recovery Fund: \$65M

Summary: The Committee's recommendation provides \$65M for the Pacific Coastal Salmon Recovery Fund [PCSRF]. The recommendation is equal to both the fiscal year 2022 enacted level and the budget request. Funds are to be used for conservation and restoration of Pacific salmon populations. State and local recipients of this funding will provide matching contributions of at least 33 percent of Federal funds. In addition, funds will be available to Tribes without a matching requirement.

#### **Next steps:**

Sonoma Water's government affairs team will next advocate for these funding opportunities this fall when the Senate has a staff conference with the House.

## **STATE UPDATE:**

## **Drought Funding**

The Legislature and Governor concluded their budget negotiations on August 28, the last day bills could be amended, and the Legislature approved a series of budget bills including AB 179, a budget bill jr. that amends the budget passed in June, that appropriates billions of dollars to address climate change.

- \$301 million to DWR
  - \$48.75 million for activities that support immediate drought response, critical data collection, and agriculture.
  - \$56 million for SGMA implementation
  - \$66 million for grants to water agencies and public agencies through the Urban
    Community and Multi-Benefit Drought Relief Program to fund drought resilience and identification and assessment of climate risks on a watershed basis
- \$100 million to DFW for protecting salmon from drought.

- \$143.7 million to SWRCB
  - \$43.7 million for water rights modernization
  - \$100 million for water recycling

In June, the Legislature and Governor agreed to a principal budget that includes a \$19.3 billion climate resilience package with up to \$2.7B of that for drought related purposes, details of how these funds will be allocated will. be negotiated and finalized in August. Some drought funding was allocated in the June budget negotiations, including the following:

- \$545 million to DWR
  - \$200 million for Urban Water Community Drought Relief
  - o \$100 million for Small Community Drought Relief
  - \$75 million for Conservation for Urban Water Suppliers
  - o \$25 million for Conservation for Small Water Suppliers
  - o \$75 million for Turf Replacement
  - \$60 million for Agriculture Drought Response Program and Delta Drought Response Pilot
  - \$10 million for Migratory Bird Habitat
- \$40 million to CDFA
  - \$15 million for the Water Efficiency Technical Assistance Program
  - o \$25 million for drought relief for small farmers
- \$75 million to Governor's Office of Business and Economic Development for the California Small Agricultural Business Drought Relief Grant Program

## Atmospheric River, FIRO, AQPI

The Legislature passed AB 179, a budget bill jr. that amends the budget passed in June, as well as a subsequent Resources Trailer Bill, AB 211, that appropriated additional funding to DWR. One of the allocations in AB 211 provides DWR with \$48,750,000 for activities that support immediate drought response, critical data collection, and agriculture. Critical data collection has been the appropriation term signaling funding for FIRO and an Assembly Floor Analysis on AB 211 includes this clarification "\$16.75 million ongoing for Forecast Informed Reservoir Operations."

## **AB 2201 (Bennett) - Groundwater Extraction Permits**

Sonoma Water had an "oppose" position on AB 2201 and actively advocated against the bill in the final days of the legislative session. The bill passed the Senate and seemed destined to land on the Governor's desk but a last-ditch effort against the bill successfully prevented its passage on Assembly concurrence and the bill died.

On March 28, 2022, Governor Newsom issued Executive Order N-7-22, which extended the previously declared drought emergency, and also prohibited a county, city, or other public agency from approving a permit for a new groundwater well or for alteration of an existing well in a basin subject to SGMA and classified as medium- or high-priority basin without first obtaining written verification from a GSA that the proposed well would not (1) be inconsistent with any sustainable groundwater management program established in any applicable GSP and (2) decrease the likelihood of achieving a sustainability goal for the basin covered by such a plan; or Issuing a permit for a new groundwater well or for alteration of an existing well without first determining that extraction of groundwater from the proposed well is (1) not likely to interfere with the production and functioning of existing nearby wells, and (2) not likely to cause subsidence that would adversely impact or damage nearby infrastructure. AB 2201 proposes to codify the EO and make permanent that GSAs must review and determine that a proposed new well or alteration of an existing well does not negatively impact sustainability against the GSA's GSP. The legislation had been amended to put the onus on the applicant to conclude that the proposed project would not interfere with nearby wells or cause subsidence damaging nearby infrastructure, but the Senate Governance & Finance Committee proposed amendments that puts that onus back on the GSA, raising liability concerns.

### AB 2142 (Gabriel) - Turf Replacement Tax Exemption

AB 2142 passed the Senate on consent with all 40 senators voting for the bill. AB 2142 is now on the Governor's desk awaiting his signature or veto. The Association of California Water Agencies (ACWA) spearheaded support for AB 2142 (Gabriel), which proposes, for taxable years beginning on or after January 1, 2022, and before January 1, 2027, a gross income exclusion for any amount received as a rebate, voucher, or other financial incentive issued by a "public water system", local government, or state agency for participation in a turf replacement water conservation program. Sonoma Water is in support of this legislation.