



Official Memorandum

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To: SLDMWA Water Resources Committee Members and Alternates / Board of Directors and Alternates
From: Scott Petersen, Water Policy Director
Date: May 11, 2026
RE: Water Resources Committee to Consider Recommendations on Legislation / Board of Directors to Consider Same

Recommendation

Recommend to the Water Resources Committee and Board of Directors to adopt the following positions on legislation:

Federal Legislation

- Adopt of position of “Support and Amend” on H.R. 8259 (Bentz), Reclamation Project Consultation Improvement Act of 2026

State Legislation

- Adopt a position of “Not Favor” on A.B. 2214 (Jackson), Government finance: deposits
- Adopt a position of “Watch” on A.B. 2215 (Calderon), Water rights: permits: State Water Project
- Adopt a position of “Watch” on A.B. 2216 (Aguiar-Curry), Sacramento-San Joaquin Delta Conservancy
- Adopt a position of “Oppose” on A.B. 2447 (Bauer-Kahan), Water Supply Protection Act
- Adopt a position of “Support” on A.B. 2739 (Soria), Water: affordability and system stabilization
- Adopt a position of “Favor” on S.B. 1001 (Archuleta), Local agency, corporation, or mutual water company: personnel access: Personal Identity Verification-Interoperable

Federal Legislation

H.R. 8259 (Bentz), Reclamation Project Consultation Improvement Act of 2026

RECOMMENDATION: Support and Amend

POLICY SCOPE: Environmental and Regulatory Compliance

Summary

The bill establishes requirements for federal agencies to engage in routine and continuing communication with affected Reclamation contractors during the development and review of biological assessments and biological opinions for federal water projects in Reclamation States. It ensures contractors receive timely information on agency actions, proposed alternatives, and measures to avoid harm to endangered or threatened species. Contractors are given opportunities to review draft biological opinions, provide



comments, and participate in discussions about reasonable and prudent alternatives and mitigation measures. The law emphasizes transparency, cooperation, and accountability in decision-making processes that impact water supply and local economic interests.

Status

H.R. 8259 was introduced on April 14, 2026, was heard by the Water, Wildlife and Fisheries Subcommittee of the House Natural Resources Committee on April 29, 2026, and awaits markup in the House Natural Resources Committee.

Importance to the Authority

Consultation on operations of the Central Valley Project (CVP) under Section 7 of the federal Endangered Species Act (ESA) have significant impacts on the reliability and affordability of water supplies under Reclamation contracts. The legislation is modeled after Section 4004 authorities established by the Water Infrastructure Improvements for the Nation (WIIN) Act, which created a process for engagement between Reclamation, as an action agency, and its contractors, who bear the effects of any operational changes to the CVP as a result of compliance with the federal ESA.

The bill specifically requires that if a federal agency considers an action that would not result in full delivery of water to contractors, those contractors must be informed and engaged — including being told what legal authority supports the action and why alternatives with fewer adverse water supply impacts are inadequate.

The bill strengthens contractor role in proceedings where species protections intersect with water management. Contractors are entitled to receive a copy of draft biological opinions and have the opportunity to review and comment on them, with those comments to be afforded due consideration during the consultation. The bill also ensures that covered entities have routine and continuing opportunities to discuss and submit information for consideration during the development of any biological assessment, and to engage with respect to its preparation.

In short, H.R. 8259 operationalizes several of SLDMWA's FY 2027 policy objectives by converting advocacy goals — particularly around the Section 7 consultation process — into statutory rights.

For these reasons, staff recommends a “Support and Amend” position.

Potential Amendments

Authority staff seeks to develop clarifying amendments to ensure that (1) the transparency provisions of the legislation associated with full delivery of water pursuant to a contract are associated with actions taken to reduce adverse effects on listed species, rather than hydrologic conditions, as well as (2) additional statutory direction for improvements to the stakeholder engagement process based on lessons learned from WIIN Act engagement for CVP contractors.



State Legislation

A.B. 2214 (Jackson), Government finance: deposits

RECOMMENDATION: Not Favor

POLICY SCOPE: Funding and Finance

Existing Law

Existing law requires the Treasurer to invest, or deposit into banks and other financial institutions, specified state moneys designated as surplus as a part of the Pooled Money Investment Account (PMIA) and determined to be available for that purpose by the Pooled Money Investment Board.

Existing law generally requires banks and other financial institutions to deposit with the Treasurer securities in a value at least ten percent in excess of the amount deposited with the institution to be eligible to receive deposits of state funds, except as specified.

Summary

This bill would declare findings about the State's intent to use the PMIA, as specified.

This bill would establish, within the PMIA, the Community Reinvestment Account that would allocate \$4 billion from the PMIA into the Community Reinvestment Account for qualified institutions, such as the following:

- (A) Verified small business lending in underserved census tracts.
- (B) First-time or first-generation home buyer lending.
- (C) Affordable housing lending
- (D) A formal partnership with any of the following:
 - (i) A community development financial institution (CDFI).
 - (ii) A Small Business Development Center (SBDC).
 - (iii) A state-approved nonprofit financial coach.
- (E) Verified brokerage of financing products, such as silent second lien disaster mortgages, for homeowners facing displacement and loss of home ownership seeking to rebuild their home following disaster.

This bill would prioritize qualifications of deposits into the Community Reinvestment Account and set qualifications, as specified, for the following institutions:

- (A) Minority Depository Institutions (MDIs).
- (B) Community banks serving rural and urban low-wealth areas.
- (C) Community Development Financial Institutions (CDFIs) with a California lending footprint.



This bill would require securities, for a deposit from the Community Reinvestment Account or under the Small Business Lending Time Deposit Program, to be in an amount in value of at least 90 percent of the amount deposited with the institution.

This bill would require the Treasurer to deposit moneys from the Community Reinvestment Account with qualified institutions that have committed to specified lending activities, including, among other things, that at least 50 percent of the moneys from the account are used for affordable housing lending, as defined and specified.

This bill would require institutions that receive deposits from the Community Reinvestment Account to submit quarterly, nonidentifying, performance reports to the Treasurer and the Treasurer to publish the data it receives in a publicly available report.

This bill would require the department, in consultation with the Department of Parks and Recreation and the Department of Food and Agriculture, to develop a voluntary framework to prevent the overland spread of invasive mussels through the conveyance of watercraft overland. The bill would require the framework to include specified elements, including, among other elements, minimum standards for watercraft inspection, decontamination, and quarantine and a banding program or other mechanisms by which to confirm the inspection, decontamination, or quarantine status of a watercraft.

Status

02-19-2026 As Introduced

As introduced, the bill would have allocated funds from the Local Agency Investment Fund (LAIF) into the Community Reinvestment Account for institutions that meet specific performance standards.

04-13-2026 As Amended

As amended, this bill would create the Community Reinvestment Account and transfer \$4 billion from the PMIA for purposes of small business lending, first-time home ownership, affordable housing lending, and community reinvestment connected to measurable community lending performance while prioritizing safety, liquidity, and yield.

Importance to the Authority

This bill proposes to create a new fund under the PMIA, which includes LAIF funds, that would carve out and transfer a significant portion of local agency funds that are on deposit and dedicate those funds for lending activities that are not consistent with current liquidity requirements of the local agencies investing in PMIA and their needs.

According to the author, AB 2214 would “modernize collateral and participation frameworks to responsibly expand the pool of eligible institutions.” This bill fails to consider the consequences of diverting funding to a wider pool of recipients which would dilute the number of local agencies participating in the PMIA and would ultimately reduce benefits to the taxpayer. The author aims to create “measurable outcomes for small business growth, homeownership, or community reinvestment in underserved areas.” This is inconsistent with current PMIA requirements and presents an issue as it should not fall solely on public agencies to address barriers faced by lenders in underserved areas.

Given uncertain federal funding opportunities and continued state budget deficits, local agencies should not have to endure potentially losing another source of focused funding that has reliably provided special



districts and public agencies with assistance for management costs and administrative expenses. Diluting funds in the PMIA to serve purposes that are not aligned with those who are participating is not appropriate and would hurt ongoing public projects and plans that are dependent on these funds.

The Water Authority has a small amount of funds in LAIF and a number of member agencies have funds in LAIF; should the legislation pass, the majority have indicated that they would transition funds from LAIF into another vehicle.

For these reasons, staff recommends a “Not Favor” position.

Other Associations

The California Association of County Treasurers and Tax Collectors has formally registered an oppose position on AB 2214 and is developing a coalition. The California Special Districts Association also has an oppose position on this bill. Staff are coordinating with other local government associations that may take positions on the bill.

A.B. 2215 (Calderon), Water rights: permits: State Water Project

RECOMMENDATION: Watch

POLICY SCOPE: Environmental and Regulatory Compliance

Existing Law

Existing law requires that construction work for a project that will put appropriated water to beneficial use be commenced, prosecuted with due diligence, and completed within the time period specified in the water right permit.

Existing law authorizes the State Water Resources Control Board (State Water Board) to extend the deadline specified in the permit to commence or complete construction work and to put appropriated water to beneficial use for good cause shown.

Summary

This bill would extend the timeline for the full development of the State Water Project’s (SWP) water rights permits, held by the Department of Water Resources (DWR), until December 31, 2046, for beginning construction work, completion of construction work, or application of the water to beneficial use.

This bill would specify that the bill shall not be construed as an approval of any proposed modification of physical facilities of the SWP, including the Delta Conveyance Project.

Status

02-19-2026 As Introduced

As introduced, the bill would make nonsubstantive changes to the provision of law naming the Urban Water Management Planning Act.

03-19-2026 As Amended

As amended, the bill would extend the timeline for the full development of the State Water Project’s water rights permits, held by DWR, until December 31, 2085.



04-16-2026 As Amended

As amended, the bill would extend the timeline for the full development of the State Water Project's water rights permits, held by DWR, until December 31, 2046.

Importance to the Authority

Background

The SWP is the largest state-owned water and power generator and user-financed system. As the main operator, DWR has constructed 36 water storage facilities, 21 pumping plants, five hydroelectric power plants, four pumping-generating plants, and approximately 700 miles of canals, tunnels, and pipelines over several decades. This system plays a critical role during extremes such as flood and drought and provides water for 27 million Californians.

To help ensure that the SWP can adapt to more extreme shifts in hydrology, DWR has filed for a time extension for the water rights of the SWP with the State Water Board. According to DWR, since it was built in the 1960s, the SWP has operated under state water rights permits designed to protect water users, water quality, and fish and wildlife. Each permit issued by the State Water Board specifies, in part, the rate and amount of water that can be diverted. California's changing climate is resulting in more prolonged droughts punctuated by wetter periods. The State needs the flexibility to adapt its water management practices to better recover critical water supply following extreme dry conditions when the wet conditions return. The time extension for the water rights better allows for that flexibility.

Regulatory Delays

AB 2215 would extend the time for DWR to develop its water rights. In 1990, the SWP was granted a time extension by the State Water Board. Then, in 2009, DWR filed a petition for another time extension with the State Water Board that has never been processed. DWR re-filed this Notice with the State Water Board in 2025, but the delay and uncertainty is hindering DWR's ability to modernize the SWP and effectively plan for climate change.

Further, even if the SWP time extension petition were moved forward by the State Water Board, the administrative process would likely take years, cost the taxpayers hundreds of thousands of dollars in staff time, and public water agencies' significant time and money.

Given the implications of full development of the SWP water right and interactions with member agency water rights applications in the future, as the State Water Board implements groundwater recharge and other storage projects that may come online prior to the full development of SWP water rights, staff recommends a "Watch" position.

A.B. 2216 (Aguiar-Curry), Sacramento-San Joaquin Delta Conservancy.

RECOMMENDATION: Watch

POLICY SCOPE: Water Quality and Resource Management, Funding and Finance

Existing Law

The Sacramento-San Joaquin Delta Reform Act of 2009 provides that it is the intent of the Legislature to provide for the sustainable management of the Sacramento-San Joaquin Delta (Delta) ecosystem, to provide for a more reliable water supply for the state, to protect and enhance the quality of water supply from the



Delta, and to establish a governance structure that will direct efforts across state agencies to develop a legally enforceable Delta Plan. Established within the California Natural Resources Agency, the Sacramento-San Joaquin Delta Conservancy (Conservancy) is the primary state agency to implement ecosystem restoration in the Delta and to support efforts that advance environmental protection and the economic well-being of Delta residents.

Existing law requires the Conservancy to prepare and adopt a strategic plan to achieve the goals of the Conservancy and requires the strategic plan to be consistent with certain plans. Existing law specifies the composition of the governing board of the Conservancy and requires liaison advisers to serve in an advisory, nonvoting capacity.

Existing law authorizes the Conservancy to engage in partnerships with nonprofit organizations, local public agencies, and landowners, and authorizes the Conservancy to provide grants and loans to state agencies, local public agencies, and nonprofit organizations to further the goals of the Conservancy.

Existing law establishes the Sacramento-San Joaquin Delta Conservancy Fund in the State Treasury. Existing law makes moneys in the fund available, upon appropriation by the Legislature, for purposes of these provisions.

Summary

This bill would rename the Conservancy the “Valley and Delta Conservancy,” rename the “Sacramento-San Joaquin Delta Conservancy Fund” the “Valley and Delta Conservancy Fund,” and make conforming changes. This bill would expand the footprint covered by the Conservancy to include the “Valley”—defined as the “lands within the Counties of Yolo, Sacramento, Solano, and San Joaquin that are outside of the Delta.”

This bill would define the Sacramento-San Joaquin Valley and Delta as unique natural resources. It identifies the Delta’s environmental challenges as land subsidence, pressure on native species, altered water flow, and habitat conversion, while noting that the Valley faces challenges such as land fallowing, water scarcity, invasive species, destruction of habitat, and fire risks. The bill would also identify environmental justice challenges in the Valley, including access to clean, safe, and affordable drinking water; lack of green space; exposure to pollutants and toxins; degraded air quality; and inequitable access to recreation.

This bill would add two additional liaison advisers, who are designees of the Sierra Nevada Conservancy and the San Joaquin River Conservancy.

The bill would establish the Valley Program, under the administration of the Conservancy, to support efforts that advance the environmental protection and the economic well-being of Valley residents. This bill would require funds to be allocated for activities in the Valley only if there is an appropriation for that purpose.

This bill would also authorize the Conservancy to engage in partnerships with, and to award grants and loans to, tribal organizations, while requiring the Conservancy to consult with resource conservation districts and other agencies when necessary.

Status

A.B. 2216 was introduced on February 19, 2026, passed the Assembly Committee on Natural Resources on April 14, 2026, and is now on the suspense file at the Assembly Committee on Appropriations.



Importance to the Authority

AB 2216 would expand the Conservancy's jurisdiction to Valley lands within the Counties of Yolo, Sacramento, Solano, and San Joaquin that are outside of the Delta, but experience similar environmental challenges. The geographical expansion of the Conservancy would further opportunities for funding and projects in and around the Delta that work towards efforts to advance the environmental, economic, and recreational well-being of this region.

According to the author's office, AB 2216 was introduced to support and expand the current efforts of the Conservancy and to take a "watershed approach" to future projects and funding opportunities. More specifically, the sponsor has indicated that the bill would provide access to counties that have significant wildfire risk but have previously not had access to recent funding packages for wildfire resiliency projects. The bill could benefit the Conservancy's existing operations by expanding its authority to fund climate resilience, on-farm habitat, and tribal partnerships in the expanded footprint, while increasing accessibility for underserved groups through advanced payments and workforce development grants.

Historically, conservancies have not produced regulatory mandates, and Conservancy staff and the sponsor confirmed that such actions are not the intent of this legislation. In addition, to address fiscal concerns, the bill establishes the Valley Program under a distinct appropriation. This separation ensures the funds designated for the Delta and Suisun Marsh are used exclusively for those areas and remain in compliance with the conditions of those appropriations. AB 2216 would not affect the allocation of Proposition 4, but would better position the Conservancy to support this region in future funding measures.

This bill will not impact the State Water Resources Control Board's update to the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Watershed and may support the Healthy Rivers and Landscapes Program by facilitating the management and implementation of non-flow restoration actions.

For these reasons, staff recommends a "Watch" position.

A.B. 2447 (Bauer-Kahan), Water Supply Protection Act

RECOMMENDATION: Oppose Unless Amended

POLICY SCOPE: Water Quality and Resource Management, Environmental and Regulatory Compliance

Existing Law

Under the Porter-Cologne Water Quality Control Act (Porter-Cologne Act), the State Water Resources Control Board (State Water Board) and the nine California regional water quality control boards are the principal state agencies with authority over matters relating to water quality. Existing law authorizes the State Water Board and the regional boards to prescribe waste discharge requirements for the discharge of waste that could affect the quality of the waters of the state.

Summary

This bill would create the Nitrogen Pollution Reduction Act.



This bill would require the State Water Board to require the regional water boards to update the Irrigated Lands Regulatory Program in order to reduce nitrogen waste discharges from commercial irrigated agricultural lands so that by January 1, 2030, those lands do not cause or contribute to either of the following:

- (1) Exceedances of the maximum contaminant level for nitrate, as specified, for waters designated for municipal and domestic supply.
- (2) Exceedances of a water quality objective or total maximum daily load for nitrate, as set forth in applicable approved basin plans.

This bill would require the regional boards to adopt revised orders with waste discharge requirements on or before January 1, 2028, that are sufficient to meet the reductions in nitrogen waste discharge described in this bill and must include both of the following:

- (1) Quantitative limits on nitrogen fertilizer application and nitrogen discharge implemented through an adaptive irrigation and nutrient management plan designed to minimize nitrogen discharge.
- (2) Sufficient procedures to ensure compliance with the limits described in paragraph (1), which may include, but is not limited to, verification by a certified crop advisor or cooperative or independent monitoring program, cross-referencing fertilizer application information with fertilizer sales information, and water quality or soil testing.

This bill would provide that the revised orders may include any of the following elements, provided the elements are designed to meet the reductions in nitrogen waste discharge described in this bill:

- (1) Provisions to encourage increased participation in programs designed to reduce nitrogen waste and greenhouse gas emissions from agriculture and improve soil health, as specified.
- (2) Standardized figures estimating reductions in nitrogen discharge for certain sustainable farming practices based on the best available science, as specified.
- (3) Credits or discount factors based on the standardized figures, which may be accounted for in meeting the requirements of this bill.
- (4) Interim limits on nitrogen pollution that accommodate regional differences in agricultural production or surface or groundwater quality.
- (5) Alternative or streamlined compliance pathways for small and diversified farms of fewer than 50 acres, including simplified monitoring and reporting procedures as well as forms published in languages spoken by small farmer operators, as specified.

This bill would allow the State Water Board to adjust its fee schedule for the Irrigated Lands Regulatory Program to cover the cost of implementing this update to the program. The bill would prohibit any adjustment from including discounts on a per-acre basis for larger farms.

This bill would require the State Water Board, on or before July 1, 2027, to publish both a list of standardized crop names and categories, and a statewide methodology for calculating, and field-level reporting of, nitrogen balances for croplands, including nitrogen fertilizer applications and nitrogen discharges, that must account for available soil nitrogen, to be used by the regional boards and incorporated into the orders



described in this bill. The bill would require that the field-level data produced by the field-level reporting be made publicly available.

This bill would require the State Water Board, on or before January 1, 2031, to submit a report to the relevant policy committees of the Legislature on progress achieved in implementing this chapter, including data on the extent of progress made toward meeting the reductions in nitrogen waste discharges through the update to the Irrigated Lands Regulatory Program.

This bill would provide that nothing in this section is intended to weaken existing water quality protections in this division. In the event of a conflict between the provisions of this section and any other law, the more stringent provision shall prevail.

This bill would provide that, for the purposes of this section, commercial irrigated agricultural lands include, but are not limited to, lands that are irrigated to produce crops or pasture for commercial purposes with one or more of the following characteristics:

- (1) The landowner or operator holds a current operator identification number or permit number for pesticide use reporting.
- (2) The crop is sold to a third party, including, but not limited to, any of the following: (A) An industry cooperative.
(B) A harvest crew or company.
(C) A direct marketing location, including a farmers' market.
- (3) The landowner or operator files federal taxes using the Internal Revenue Service Schedule F (Form 1040) for Profit or Loss From Farming.

Status

A.B. 2447 was introduced on February 21, 2026, passed the Committee on Environmental Safety and Toxic Materials on April 15, 2026, and has been referred to the Appropriations Committee.

Importance to the Authority

AB 2447 (Bauer-Kahan) would require the Regional Water Boards to update the Irrigated Lands Regulatory Program (ILRP) to require compliance with the nitrate drinking water Maximum Contaminant Level (MCL) and objectives for surface water by 2030.

The Author's Office states that the need for the bill is to reduce nitrogen pollution since the State Water Board has had ample time to act on this issue and it persists at alarming levels today. Nitrate is a tasteless, odorless, and invisible chemical that can cause health effects when found in high levels in drinking water. Nitrate is common in fertilizers and waste discharges in the Central Valley.

A coalition of farmers, ranchers, processors, and agricultural businesses are opposed to the bill as the bill would create an entirely new level of regulatory oversight and enforcement capacity at the Regional Water Boards and the State Water Board. Currently, water quality program costs in place are funded through fees on farmers by existing programs. Coalition monitoring, domestic well testing, nitrate replacement water programs, and compliance administration already cost the agricultural community tens of millions annually. Additionally, AB 2447 undermines the role of the coalitions under ILRP and implementation of the Nitrate



Control Program. Ultimately, AB 2447 could dismantle the coordination and financing for domestic well testing and, where contamination is identified, drinking water replacement for affected households.

For these reasons, staff recommends an “Oppose” position.

A.B. 2739 (Soria), Water: affordability and system stabilization

RECOMMENDATION: Support

POLICY SCOPE: Funding and Finance

Existing Law

Existing law declares the responsibility of the State to assist local governments in providing certain essential services and facilities where water resource construction projects financed, in whole or in part, by the State or jointly by the State and the federal government, create an undue burden on a local area’s ability to provide these services and facilities.

The California Safe Drinking Water Act requires the State Water Resources Control Board (State Water Board) to administer provisions relating to the regulation of drinking water to protect public health. California’s “Human Right to Water” declares that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

AB 401 (Chapter 662, Statutes 2015) requires the State Water Board, by January 1, 2018, to develop a plan for the funding and implementation of a Low-Income Water Rate Assistance (LIRA) Program. The plan is required to include a description of the (1) method for collecting moneys to support implementation; (2) mechanism for providing funding assistance through either direct credits to enrollees or reimbursements to water service providers; and (3) method for determining the amount of moneys that may need to be collected from water ratepayers to fund the program. The State Water Board is required to report to the Legislature on its findings regarding the feasibility, financial stability, and desired structure of the program, including any recommendations for legislative action, by February 1, 2018.

Summary

Definitions

This bill would define the following terms:

1. “Fund” as the Community Water Affordability Assistance Fund, and
2. “Program” as the Community Water Affordability Program.

Community Water Affordability Program and Fund

This bill would require DWR, upon appropriation by the Legislature, to develop and administer the Community Water Affordability Program (Program) and would establish the Community Water Affordability Assistance Fund (Fund) within the State Treasury. This bill would, for the purpose of reducing the amount of ratepayer funding required, require the Program to provide funding via grants to water suppliers for system repairs, rehabilitation, and enhancements; water safety and quality; and other infrastructure projects. This bill would require moneys in the Fund, upon appropriation by the Legislature, to be made available to DWR for purposes of administering the Program.



Program Administration

This bill would require DWR, before disbursing funds, to develop and adopt Program guidelines and project solicitation documents. The guidelines would require an applicant to provide at least 50 percent of the total funding needed for a project but would authorize federal funding and other state loans and grants to be included in that amount. DWR could waive or reduce that minimum amount if complying with it would cause extreme financial hardship on the applicant. The guidelines and solicitation documents would not be subject to administrative regulations and rulemaking requirements under the Administrative Procedure Act.

Status

A.B. 2739 was introduced on February 20, 2026, and was amended into its current state on April 15, 2025, and is now waiting action by the Assembly Appropriations Committee.

The Water Authority's practice is to take a position on legislation based on the version in print. AB 2739's sponsors have indicated to staff that substantive amendments to the bill are coming. The anticipated amendments would flesh out the language currently in print and establish a permanent "Water Affordability and System Stabilization Trust" in the State Treasury. The Legislature would deposit funds into the trust, and a trustee would distribute most of it to water assistance programs, reinvesting 10% to grow the fund. For the first 25 years, the trustee would send 45% of the total amount deposited in the fund annually to each of two assistance programs. After 25 years, the fund would live off investment income and divide distributions of fund income between the two funds. The proposed funds would be as follows:

- Water Rate Assistance Fund — would fund a statewide LIRA program, like the one proposed in SB 1125.
- Community Water Affordability Program — would provide grants to water utilities for infrastructure projects (improving supply, quality, resilience, or cutting energy costs), that, if funded locally, would drive rate increases and challenge affordability.

Importance to the Authority

AB 2739 is intended to establish a durable source of funding to support water affordability in California, including funding for a statewide water LIRA program.

Staff recommend a "Support" position.

S.B. 1001 (Archuleta), Water utility workers: identification card program.

RECOMMENDATION: Favor

POLICY SCOPE: Stakeholder Engagement and Communication, Emergency Response

Existing Law

Existing law creates the Office of Emergency Services (CalOES) within the office of the Governor and sets forth its powers and duties, including establishing by rule and regulation various classes of disaster service workers, the scope and duty of each class, and the way disaster service workers of each class are to be registered.



Section 409.5 of the Penal Code authorizes peace officers, as defined, to close an area where a menace to the public health or safety created by a calamity, including a flood, storm, fire, earthquake, explosion, accident, or other disaster, exists for the duration of the menace to all persons not authorized by the lifeguard or officer to enter or remain within the enclosed area. Under existing law, an unauthorized person who enters or remains in a closed area, as prescribed, is guilty of a misdemeanor.

Existing law provides that Section 409.5 of the Penal Code does not prevent the following individuals from entering the enclosed areas, unless it is unsafe for the person to enter or the presence of the person would interfere with disaster response:

- (1) A duly authorized representative of a news service, newspaper, or radio or television station or network.
- (2) An individual who holds a valid livestock pass identification document, as specified.

Government Code Section 3100 declares all public employees to be disaster service workers subject to such disaster service activities as may be assigned to them by their superiors or by law.

Summary

This bill would require CalOES to develop a water utility worker identification program to issue identification cards to employees of a city, county, city and county, special district, water corporation, or mutual water company that provides water utility services to authorize access to an area during or following a flood, storm, fire, earthquake, or other disaster for the purpose of protection of public health and safety, preservation of life and property, and repair and restoration of water service.

This bill would require CalOES to prepare and make available an application for water utilities to use to request that an individual be issued an identification card and provide an individual with a water utility worker identification card upon receipt of the application signed by a duly authorized representative of a water utility that includes a statement justifying the need for the individual to receive access to such areas and certification by the water utility. The application would be required to indicate that the worker has completed appropriate safety training.

This bill would provide that access to an area closed in accordance with subdivision (a) of Section 409.5 of the Penal Code only be granted to a water utility worker identification cardholder by the incident commander, a law enforcement official having jurisdiction, or their designee. If access is granted by emergency response personnel other than the incident commander, the emergency response personnel would be required to notify the incident commander that access has been provided to the water utility worker.

The water utility worker identification card would be valid for five years and renewable upon submission of an application for renewal. Water utilities would be responsible for collecting and destroying an identification card if a utility worker ceases employment or the job duties change and the identification card is no longer appropriate.

This bill would require CalOES to impose and collect a fee from a water utility for an identification card that does not exceed the reasonable costs of issuing the card and administration of the program.

The bill would provide that Section 409.5 of the Penal Code would not prevent an individual who holds a valid water utility worker identification card from entering an enclosed area, unless it would be unsafe for the cardholder to enter or the presence of the cardholder would interfere with disaster response.



Status

S.B. 1001 was introduced on February 10, 2026, passed the Senate Committee on Public Safety on April 14, 2026, and has been placed on the Senate Appropriations Committee suspense file.

Importance to the Authority

During emergency situations, such as wildfires and earthquakes, law enforcement officers will often close off areas to the public to protect public health and safety and allow emergency responders to be the most effective. It is very common for utility workers to need access to those restricted areas to fix damaged critical infrastructure and restore vital services. Some agencies do not experience challenges gaining access to these areas, but there have been instances where workers have run into issues gaining access which cost valuable time. Delays and requests for verification can take hours and further threaten lives and property.

SB 1001 creates a voluntary, statewide credentialing framework administered by CalOES, upon request by a utility employer for essential utility workers who may need access to emergency areas to maintain or restore critical infrastructure. This bill would address a challenge of access that Water Authority members may face during times of emergency by establishing a recognizable credentialing system. This bill would support faster restoration of critical services such as water, power, and gas and strengthen coordination between utilities and emergency personnel.

Guidelines for Taking Positions on Legislation

A number of controversial bills are introduced in the Congress and in the California Legislature. It is important to understand how the Authority takes positions on legislation.

Policy

By Agenda Item 7, dated December 12, 2025, the Board adopted the Policy Framework and Fiscal Year 2027 Policy Action Plan.

Water Authority's Positions on Legislation

The Water Authority takes positions on legislation that, if enacted, would impact Water Authority members, consistent with Water Authority Board adopted Goals and Objectives in the Strategic Plan, as implemented through the Policy Framework and Annual Policy Action Plan.

The Water Authority may take the following positions on legislation: Oppose, Support, Oppose Unless Amended, Support if Amended, Support and Amend, Not Favor, Favor, Not Favor Unless Amended, Favor if Amended, Favor and Amend, and Watch (neutral).

The Water Authority's staff and consultants testify and advocate with legislators and staff through direct meetings and coordination of member agency contacts on all positions except Watch, Favor and Not Favor. For Favor and Not Favor positions, written communication of the Water Authority's position is provided to the legislator, the Water Authority's delegation, and relevant Committees.

Nothing in this section should be read to preclude the Executive Director or his or her designee from taking an informal support or informal oppose position on behalf of the Water Authority that is consistent with the Policy Framework and Annual Policy Action Plan, or to preclude the Executive Director from communicating a position on emergency legislation after obtaining the concurrence of the Chair, or the Chair's designee,



provided that the Executive Director informs the Board regarding such positions on emergency legislation no later than the next regularly scheduled Board meeting.

Amendment Development Process

If the Water Authority takes a position contingent on amendments, the Water Authority will typically discuss the concepts for the amendments at the meeting. Then Water Authority staff, in consultation with Committee and/or Board Members as needed, will develop the amendments after the meeting.

Information Sharing

To provide adequate information to the entire Water Authority membership, the Water Authority provides legislative updates, posts positions and other information on our website, and sends out advisories and alerts on key legislation.

The Water Authority's legislative department is available to provide specific information on bills on request and Board Members are encouraged to communicate Water Authority positions on priority legislation in meetings with legislative staff, consistent with Water Authority policy. The Water Authority's Water Policy Director appreciates being informed by Water Authority members of positions taken by Water Authority members on legislation.



BILL TEXT

8259

(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R. _____

To ensure meaningful consultation and cooperation between Federal and local entities in the operation of Federal water projects in the Reclamation States, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. BENTZ introduced the following bill; which was referred to the Committee on _____

A BILL

To ensure meaningful consultation and cooperation between Federal and local entities in the operation of Federal water projects in the Reclamation States, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Reclamation Project
5 Consultation Improvement Act of 2026".

1 **SEC. 2. CONSULTATION WITH AFFECTED CONTRACTORS OF**
2 **FEDERAL WATER PROJECTS.**

3 (a) RESOLUTION OF WATER RESOURCE ISSUES.—In
4 furtherance of the policy established by section 2(c)(2) of
5 the Endangered Species Act of 1973 (16 U.S.C.
6 1531(c)(2)), in a consultation or reconsultation under sec-
7 tion 7 of that Act (16 U.S.C. 1536) with respect to the
8 operation of a Federal water project, the head of each ac-
9 tion agency, the Secretary, or the head of an action agency
10 and the Secretary working in coordination, as applicable,
11 shall ensure that each covered entity that so requests
12 shall—

13 (1) have routine and continuing opportunities—

14 (A) to discuss and submit information to
15 the action agency for consideration during the
16 development of any biological assessment; and

17 (B) engage with the action agency with re-
18 spect to the preparation of the biological assess-
19 ment;

20 (2) if the head of an action agency suggests or
21 considers an agency action that would not result in
22 full delivery of water pursuant to a contract for con-
23 tractors of the Federal water project, be informed
24 and engaged as to—

25 (A) the legal authority invoked by the ac-
26 tion agency to support that such agency action

1 would be within the scope of the authority of
2 the action agency;

3 (B) how each component of the agency ac-
4 tion would contribute to avoiding jeopardizing
5 the continued existence of any threatened spe-
6 cies or endangered species and destroying or
7 adversely modifying critical habitat and the sci-
8 entific data or information that supports each
9 component of the agency action under consider-
10 ation; and

11 (C) why any other agency actions that
12 would have fewer adverse water supply and eco-
13 nomic impacts are inadequate to avoid jeopard-
14 izing the continued existence of any threatened
15 species or endangered species and destroying or
16 adversely modifying critical habitat;

17 (3) be informed by the head of the action agen-
18 cy of the schedule for preparation of a biological as-
19 sessment;

20 (4) be informed by the Secretary of the sched-
21 ule for preparation of the biological opinion at such
22 time as the biological assessment is submitted to the
23 Services by the action agency;

24 (5) receive a copy of draft biological opinion
25 and have the opportunity to review each such draft

1 biological opinion and provide comment to the Sec-
2 retary through engagement with the action agency,
3 which comments shall be afforded due consideration
4 during the consultation;

5 (6) have the opportunity to confer and engage
6 with the head of the action agency and applicant, if
7 any, with respect to reasonable and prudent alter-
8 natives prior to the identification of any reasonable
9 and prudent alternative for consideration;

10 (7) if the Secretary suggests a reasonable and
11 prudent alternative, be informed and engaged with
12 respect to—

13 (A) how each component of the reasonable
14 and prudent alternative will contribute to avoid-
15 ing jeopardizing the continued existence of any
16 threatened species or endangered species and
17 destroying or adversely modifying critical habi-
18 tat and the scientific data or information that
19 supports each component of the reasonable and
20 prudent alternative; and

21 (B) why any other proposed reasonable
22 and prudent alternatives that would have fewer
23 adverse water supply and economic impacts are
24 inadequate to avoid jeopardizing the continued
25 existence of any threatened species or endan-

1 gered species and destroying or adversely modi-
2 fying critical habitat; and

3 (8) if the Secretary proposes a reasonable and
4 prudent measure to avoid or minimize take of
5 threatened species or endangered species, or terms
6 and conditions to implement such reasonable and
7 prudent measure, be informed and engaged with re-
8 spect to—

9 (A) how the reasonable and prudent meas-
10 ure or terms and conditions relate to avoiding
11 or minimizing such take; and

12 (B) whether the reasonable and prudent
13 measure or terms and conditions conform to
14 any applicable limitations.

15 **SEC. 3. DEFINITIONS.**

16 In this Act:

17 (1) ACTION AGENCY.—The term “action agen-
18 cy” means the Federal agency responsible for au-
19 thorizing, funding, or carrying out an action subject
20 to consultation under section 7 of the Endangered
21 Species Act of 1973 (16 U.S.C. 1536).

22 (2) AGENCY ACTION.—The term “agency ac-
23 tion” has the meaning given the term in section
24 7(a)(2) of the Endangered Species Act of 1973 (16
25 U.S.C. 1536(a)(2)).

1 (3) BIOLOGICAL ASSESSMENT.—The term “bio-
2 logical assessment” means a biological assessment
3 conducted under section 7(c) of the Endangered
4 Species Act of 1973 (16 U.S.C. 1536(c)).

5 (4) BIOLOGICAL OPINION.—The term “biologi-
6 cal opinion” means a written statement provided by
7 the Secretary under section 7(b)(3) of the Endan-
8 gered Species Act of 1973 (16 U.S.C. 1536(b)(3)).

9 (5) CONTRACTOR.—The term “contractor”
10 means any public agency, quasi-municipal corpora-
11 tion, irrigation district, water users association, or
12 similar entity that has entered into a water service,
13 repayment, or other contract with the United States
14 related to storage, diversion, or delivery of water
15 from a Federal water project.

16 (6) COVERED ENTITY.—The term “covered en-
17 tity” means a public or quasi-municipal agency or
18 water users association that has a contract with the
19 Bureau of Reclamation for municipal or agricultural
20 water supply from a Federal water project.

21 (7) CRITICAL HABITAT.—The term “critical
22 habitat” has the meaning given the term in section
23 3 of the Endangered Species Act of 1973 (16 U.S.C.
24 1532).

1 (8) ENDANGERED SPECIES.—The term “endan-
2 gered species” has the meaning given the term in
3 section 3 of the Endangered Species Act of 1973 (16
4 U.S.C. 1532).

5 (9) ENGAGE.—The term “engage” means to
6 conduct direct written and in-person communications
7 recognizing the unique interest of the contractor and
8 promoting maximum candor and cooperation.

9 (10) FEDERAL WATER PROJECT.—The term
10 “Federal water project” means any project or facil-
11 ity—

12 (A) in a Reclamation State described in
13 subparagraphs (B) through (R) of section
14 128(a)(7) of the EXPLORE Act (16 U.S.C.
15 8426(a)(7)); and

16 (B) operated or managed by a Federal
17 agency for the authorized purpose of municipal
18 or agricultural water supply.

19 (11) REASONABLE AND PRUDENT ALTER-
20 NATIVE.—The term “reasonable and prudent alter-
21 native” means a reasonable and prudent alternative
22 suggested by the Secretary under section 7(b)(3) of
23 the Endangered Species Act of 1973 (16 U.S.C.
24 1536(b)(3)).

1 (12) REASONABLE AND PRUDENT MEASURE.—
2 The term “reasonable and prudent measure” means
3 a reasonable and prudent measure specified by the
4 Secretary under section 7(b)(4) of the Endangered
5 Species Act of 1973 (16 U.S.C. 1536(b)(4)).

6 (13) SECRETARY.—The term “Secretary” has
7 the meaning given the term in section 3 of the En-
8 dangered Species Act of 1973 (16 U.S.C. 1532).

9 (14) TAKE.—The term “take” has the meaning
10 given the term in section 3 of the Endangered Spe-
11 cies Act of 1973 (16 U.S.C. 1532).

12 (15) THREATENED SPECIES.—The term
13 “threatened species” has the meaning given the
14 term in section 3 of the Endangered Species Act of
15 1973 (16 U.S.C. 1532).

AMENDED IN ASSEMBLY APRIL 13, 2026

CALIFORNIA LEGISLATURE—2025–26 REGULAR SESSION

ASSEMBLY BILL

No. 2214

Introduced by Assembly Member Jackson

February 19, 2026

An act to amend Sections 16521 and 16611 of, and to add Section 16429.5 to 16481.5 to, the Government Code, relating to government finance, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 2214, as amended, Jackson. ~~Local Agency Investment Fund: Community Reinvestment Account. Government finance: deposits.~~

Existing law provides that all moneys in the Local Agency Investment Fund, which is continuously appropriated, is held in trust in the custody of the Treasurer and shall be deposited, invested, and reinvested in the same manner and to the same extent as if it were state moneys in the State Treasury. Existing law authorizes the Treasurer to invest the moneys of the fund in prescribed securities and to elect to have the moneys in the fund invested through the Surplus Money Investment Fund, as specified, so as to achieve the objective of the fund which is to realize the maximum return consistent with safe and prudent treasury management.

Existing law requires the Treasurer to invest, or deposit into banks and other financial institutions, specified state moneys designated as surplus as a part of the Pooled Money Investment Account and determined to be available for that purpose by the Pooled Money Investment Board.

Existing law, for purposes of a savings and loan association or credit union being eligible to receive deposits of state funds, specifies which

~~securities may be accepted as collateral, and includes within that list of eligible securities a letter of credit issued by the Federal Home Loan Bank of San Francisco that, notwithstanding requirements that a savings and loan association or credit union law generally requires banks and other financial institutions to deposit with the Treasurer securities in a value at least 10% in excess of the amount deposited with the savings and loan association or credit union, shall be in an amount in value of at least 100% of the amount deposited with the savings and loan association or credit union. institution to be eligible to receive deposits of state funds, except as specified.~~

This bill would create within the ~~Local Agency Investment Fund Pooled Money Investment Account~~ the Community Reinvestment Account from which deposits shall be made to institutions that meet specified performance standards including verified small business lending in underserved census tracts and first-time or first-generation home buyer lending. The bill would require the Treasurer to establish the percentage of funds, not less than 5% and not exceeding 10%, in the ~~Local Agency Investment Fund that shall be transferred~~ transfer \$4 billion from the Pooled Money Investment Account to the Community Reinvestment Account. Because the ~~fund is moneys invested and reinvested as part of the Pooled Money Investment Account~~ are continuously appropriated, this bill would make an appropriation. Notwithstanding the ~~provisions described above applicable to savings and loan associations and credit unions, the bill would authorize a letter of credit issued by the Federal Home Loan Bank of San Francisco accepted as collateral~~ *above-described securities requirement, this bill would instead require securities*, for a deposit from the Community Reinvestment Account *or under the Small Business Lending Time Deposit Program*, to be in an amount in value of at least 90% of the amount deposited with the institution. *The bill would require the Treasurer to deposit moneys from the Community Reinvestment Account with qualified institutions that have committed to specified lending activities, including, among other things, that at least 50% of the moneys from the account are used for affordable housing lending, as defined and specified.* The bill would require institutions that receive deposits from the Community Reinvestment Account to submit quarterly, nonidentifying, performance reports to the Treasurer and the Treasurer to publish the data it receives in a publicly available report.

Vote: ~~majority~~^{2/3}. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

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

1 SECTION 1. The Legislature finds and declares that this
2 measure is intended to utilize the ~~Local Agency Investment Fund~~
3 ~~(LAIF)~~ *Pooled Money Investment Account* as a catalyst for small
4 business lending, first-time home ownership, *affordable housing*
5 *lending*, and community reinvestment connected to measurable
6 community lending performance while prioritizing safety, liquidity,
7 and yield.

8 ~~SEC. 2. Section 16429.5 is added to the Government Code,~~
9 ~~immediately following Section 16429.4, to read:~~

10 ~~16429.5.—~~

11 *SEC. 2. Section 16481.5 is added to the Government Code,*
12 *immediately following Section 16481.2, to read:*

13 *16481.5. (a) There is within the Local Agency Investment*
14 *Fund the Community Reinvestment Account from which deposits*
15 *shall be made to institutions that meet the performance standards*
16 *described in this section.*

17 *(b) For purposes of this section, the following definitions apply:*

18 *(1) “Affordable housing” means housing affordable to persons*
19 *or families of low or moderate income as that term is defined in*
20 *Section 50093 of the Health and Safety Code.*

21 *(2) “Underserved census tracts” means a qualified opportunity*
22 *zone, as defined in Section 1400Z-1(a) of Title 26 of the United*
23 *States Code, that has received a designation pursuant to that*
24 *section.*

25 ~~(b)~~

26 *(c) The Treasurer shall establish the percentage of funds, not*
27 *less than 5 percent and not exceeding 10 percent, in the Local*
28 *Agency Investment Fund that shall be transferred transfer four*
29 *billion dollars (\$4,000,000,000) from the Pooled Money Investment*
30 *Account to the Community Reinvestment Account.*

31 ~~(e)~~

32 *(d) As determined by the Treasurer and provided in this section,*
33 *the account Community Reinvestment Account shall operate with*
34 *separate risk controls and liquidity thresholds than the fund,*
35 *thresholds, provided the account maintains the security of the*
36 *principle, maintains daily liquidity access, and provides competitive*
37 *market yield.*

38 ~~(d)~~

1 (e) (1) The Treasurer shall determine those institutions that are
 2 qualified to receive deposits from the ~~account~~ *Community*
 3 *Reinvestment Account* pursuant to the requirements described in
 4 this subdivision.

5 (2) A qualified institution shall demonstrate at least one of the
 6 following:

7 (A) Verified small business lending in underserved census tracts.
 8 (B) First-time or first-generation home buyer lending.
 9 (C) *Affordable housing lending.*
 10 ~~(C) A~~
 11 (D) *Verified status as, or a formal partnership with with,* any
 12 of the following:

13 (i) A community development financial institution (CDFI).
 14 (ii) A Small Business Development Center (SBDC).
 15 (iii) A state-approved nonprofit financial coach.
 16 ~~(D)~~
 17 (E) Verified brokerage of financing products, such as silent
 18 second lien disaster mortgages, for homeowners facing
 19 displacement and loss of home ownership seeking to rebuild their
 20 home following disaster.

21 (3) Priority for qualification to receive deposits from the account
 22 shall be given to all of the following institutions:

23 (A) Minority Depository Institutions (MDIs).
 24 (B) Community banks serving rural and urban low-wealth areas.
 25 (C) Community Development Financial Institutions (CDFIs)
 26 with a California lending footprint.

27 (4) *A qualified institution shall commit to extending or issuing*
 28 *at least three lines of credit or loans with the deposits received*
 29 *pursuant to this section.*

30 (5) *An institution qualified based on a formal partnership under*
 31 *subparagraph (D) of paragraph (2) shall commit to investing at*
 32 *least 25 percent of any deposits received under this section with*
 33 *that partner.*

34 ~~(e)~~

35 (f) (1) Collateralization may be tiered, risk weighted, and
 36 partially credit enhanced using loan guarantees, federal State Small
 37 Business Credit Initiative (SSBCI) funds, or state loss reserves.

38 ~~(2) Letters of credit issued by the Federal Home Loan Bank of~~
 39 ~~San Francisco for a deposit from the Community Reinvestment~~
 40 ~~Account, which shall be in the form and shall contain provisions~~

1 as the Treasurer may prescribe, and shall include the following
2 terms:

3 (A) The Treasurer shall be the beneficiary of the letter of credit.

4 (B) The letter of credit shall be clean and irrevocable, and shall
5 provide that the Treasurer may draw upon it up to the total amount
6 in the event of the failure of the institution or if the institution
7 refuses to permit the withdrawal of funds by the Treasurer or any
8 other authorized state officer or employee.

9 (C) Notwithstanding Section 16611, the letter of credit shall at
10 all times be in an amount in value of at least 90 percent of the
11 amount deposited with the institution.

12 (2) *Notwithstanding Section 16521 or 16611, to be eligible to*
13 *receive and retain deposits under this section, an institution shall*
14 *deposit with the Treasurer as security for those deposits, securities*
15 *listed in Section 16522 or 16612 and approved by the Treasurer,*
16 *in an amount in value of at least 90 percent of the amount deposited*
17 *with the institution.*

18 (g) *The Treasurer shall deposit moneys from the account with*
19 *qualified institutions that have committed to lending activities in*
20 *the compliance with the following requirements:*

21 (1) *Not less than 50 percent of moneys from the account shall*
22 *be utilized for affordable housing lending activities for affordable*
23 *housing projects located in underserved census tracts. Investments*
24 *made for affordable housing may have a term of up to five years*
25 *and shall accrue interest at a rate equal to the yield on United*
26 *States Treasury securities of comparable maturity plus 50 basis*
27 *points (0.05 percent).*

28 (2) *Not less than 10 percent of moneys from the account shall*
29 *be utilized for lending for homeowners facing displacement and*
30 *loss of home ownership seeking to rebuild their home in*
31 *underserved census tracts following disaster, including silent*
32 *second lien disaster mortgages.*

33 (3) *The remaining moneys from the account shall be utilized*
34 *for the following types of lending activities:*

35 (A) *Down payment assistance for first time homebuyers buying*
36 *a home located in an underserved census tract.*

37 (B) *Lines of credit to the following types of small businesses*
38 *located in underserved census tracts:*

39 (i) *Early-stage, innovation-driven businesses, including software*
40 *startups, application developers, artificial intelligence and machine*

- 1 *learning ventures, biotech prerevenue companies, and clean*
 2 *technology prototypes.*
 3 *(ii) Small construction companies, including residential*
 4 *subcontractors, independent general contractors, specialty trades,*
 5 *and renovation companies.*
 6 *(iii) Hospitality and food service businesses, including*
 7 *independent restaurants, food trucks, bars and nightclubs, small*
 8 *catering companies, and boutique hotels.*
 9 *(iv) Independent, brick-and-mortar retail businesses, including*
 10 *small apparel stores, specialty gift shops, independent bookstores,*
 11 *convenience stores, and seasonal, pop-up retailers.*
 12 *(v) Agricultural and seasonal businesses, including small farms,*
 13 *organic produce companies, fishing operations, landscaping*
 14 *companies, and snow removal services.*
 15 *(vi) Personal services businesses, including hair salons and*
 16 *barbershops, nail salons, daycare centers, cleaning services, and*
 17 *fitness studios.*
 18 *(vii) Small transportation businesses, including independent*
 19 *trucking companies, owner-operator freight carriers, and small*
 20 *logistics brokers.*
 21 *(viii) Businesses owned by historically underbanked*
 22 *communities, including small grocery stores and corner markets,*
 23 *ethnic restaurants, auto repair shops, and beauty supply stores.*
 24 ~~(f)~~
 25 *(h) Using federal State Small Business Credit Initiative (SSBCI)*
 26 *funds or a General Fund appropriation, the Treasurer may do any*
 27 *of the following:*
 28 *(1) Buy down interest rates for qualifying entities.*
 29 *(2) Provide loan loss reserves for higher risk but creditworthy*
 30 *entities.*
 31 *(3) Stabilize lending during economic downturns.*
 32 ~~(g)~~
 33 *(i) Institutions that receive deposits from the Community*
 34 *Reinvestment Account shall submit quarterly, nonidentifying,*
 35 *performance reports to the Treasurer that include all of the*
 36 ~~following:~~ *information for each of the three categories described*
 37 *in subdivision (g):*
 38 *(1) The number and dollar value of all ~~small business loans it~~*
 39 *~~issued.~~ loans or lines of credit issued or extended.*

1 ~~(2) The number and dollar value of all loans it issued to~~
2 ~~first-time home buyers.~~

3 ~~(3)~~

4 (2) The geographic distribution of borrowers who received loans
5 described in paragraphs (1) and (2). *or lines of credit.*

6 ~~(4)~~

7 (3) The interest rates and terms at which the loans described in
8 paragraphs (1) and (2) were issued. *or lines of credit were issued*
9 *or extended.*

10 ~~(5)~~

11 (4) The outcome or status of the loans described in paragraphs
12 ~~(1) and (2).~~ *or lines of credit.*

13 ~~(h)~~

14 (j) The Treasurer shall publish the data received from recipient
15 institutions pursuant to subdivision ~~(g)~~ (i) in a publicly available
16 report entitled "~~Local Agency Investment Fund~~ *“The Community*
17 *Reinvestment Dashboard.”*

18 *SEC. 3. Section 16521 of the Government Code is amended to*
19 *read:*

20 16521. (a) To be eligible to receive and retain demand or time
21 deposits, a bank shall deposit with the Treasurer as security for
22 such deposits, securities specified in Section 16522, and approved
23 by the Treasurer, in an amount in value at least 10 percent in excess
24 of the amount deposited with the bank. Uncollected funds shall be
25 excluded from the amount deposited in a demand account with a
26 bank when determining the security requirements for such deposits.

27 (b) *Notwithstanding subdivision (a), to be eligible to receive*
28 *and retain demand or time deposits under the Small Business*
29 *Lending Time Deposit Program established by the State Treasurer,*
30 *a bank shall deposit with the Treasurer as security for such*
31 *deposits, securities specified in Section 16522, and approved by*
32 *the Treasurer, in an amount in value at least 90 percent of the*
33 *amount deposited with the bank. Uncollected funds shall be*
34 *excluded from the amount deposited in a demand account with a*
35 *bank when determining the security requirements for such deposits.*

36 *SEC. 4. Section 16611 of the Government Code is amended to*
37 *read:*

38 16611. (a) To be eligible to receive and retain deposits, a
39 savings and loan association and credit union shall deposit with
40 the Treasurer as security for deposits, securities specified in Section

1 16612, and approved by the Treasurer, in an amount in value at
2 least 10 percent in excess of the amount deposited with the savings
3 and loan association or credit union.

4 *(b) Notwithstanding subdivision (a), to be eligible to receive*
5 *and retain deposits under the Small Business Lending Time Deposit*
6 *Program established by the State Treasurer, a savings and loan*
7 *association and credit union shall deposit with the Treasurer as*
8 *security for deposits, securities specified in Section 16612, and*
9 *approved by the Treasurer, in an amount in value at least 90*
10 *percent of the amount deposited with the savings and loan*
11 *association or credit union.*

AMENDED IN ASSEMBLY APRIL 16, 2026

AMENDED IN ASSEMBLY MARCH 19, 2026

CALIFORNIA LEGISLATURE—2025–26 REGULAR SESSION

ASSEMBLY BILL

No. 2215

Introduced by Assembly Member Calderon
(Principal coauthor: Assembly Member Jeff Gonzalez)
(Coauthors: Assembly Members ~~Garcia, Irwin, Michelle Rodriguez,~~
~~and Blanca Rubio~~) *Carrillo, Garcia, Harabedian, Irwin, Macedo,*
***Michelle Rodriguez, Blanca Rubio, and Wallis*)**
(Coauthors: Senators ~~Archuleta and Ochoa Bogh~~) *Archuleta,*
***Ochoa Bogh, and Valladares*)**

February 19, 2026

An act to amend Section 1398 of the Water Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

AB 2215, as amended, Calderon. Water rights: permits: State Water Project.

The Department of Water Resources operates the State Water Resources Development System, commonly referred to as the State Water Project.

Existing law requires that construction work for a project that will put appropriated water to beneficial use be commenced, prosecuted with due diligence, and completed within the time period specified in the water right permit. Existing law authorizes the State Water Resources Control Board to extend the deadline specified in the permit to commence or complete construction work and to put appropriated water to beneficial use for good cause shown.

This bill would require that the time periods for the application of water to beneficial use and for the completion of construction work for specific water right permits held by the Department of Water Resources for the operation of the State Water Project be December 31, ~~2085~~ 2046.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) The State Water Project is critical infrastructure that serves
4 27,000,000 Californians and 750,000 acres of farmland. The State
5 Water Project is necessary to maintain California’s economy and
6 quality of life.

7 (b) Climate change has caused unprecedented challenges for
8 the State Water Project, including a diminished snowpack leading
9 to reduced water runoff and changes in the timing of runoff, severe
10 drought, groundwater overdraft causing land subsidence, and
11 extreme atmospheric rivers causing flooding.

12 (c) To address the impacts of climate change, the Department
13 of Water Resources must modernize the State Water Project by
14 updating its long-term operation guidelines, planning a new point
15 of diversion for a North Bay Aqueduct Project, working to develop
16 additional water storage south of the Delta to capture wet year
17 surplus water for drought-year supplies, and working to construct
18 the Delta Conveyance Project. Together these efforts will enable
19 the Department of Water Resources to put the water appropriated
20 under permits 16477, 16478, 16479, 16480, 16481, and 16482 to
21 beneficial use in the future.

22 (d) A time extension for permits 16477, 16478, 16479, 16480,
23 16481, and 16482 is necessary to allow the Department of Water
24 Resources to complete these planning efforts and construction
25 projects to modernize the State Water Project and make it resilient
26 to climate change.

27 (e) The Department of Water Resources has proceeded with
28 due diligence and good cause has been shown for the extension
29 of time contained in this act.

1 (f) *Due to the unique circumstances pertaining to the State*
2 *Water Project, this act does not set a precedent for any other*
3 *permit issued by the State Water Resources Control Board.*

4 (g) *It is the intent of the Legislature that the State Water*
5 *Resources Control Board retain its full authority to administer*
6 *and enforce permits 16477, 16478, 16479, 16480, 16481, and*
7 *16482 and that any future additional time extension for these*
8 *permits be considered by the State Water Resources Control Board*
9 *through existing administrative process.*

10 **SECTION 4.**

11 *SEC. 2.* Section 1398 of the Water Code is amended to read:

12 1398. (a) (1) The period specified in the permit for beginning
13 construction work, for completion of construction work, for
14 application of the water to beneficial use, or any or all of these
15 periods may, for good cause shown, be extended by the board.

16 (2) After any hearing on a petition to extend the period or
17 periods, the board may revoke the permit in accordance with
18 Section 1410.

19 (b) (1) The time periods for application of water to beneficial
20 use and for the completion of construction work for water right
21 permits numbered 16477, 16478, 16479, 16480, 16481, and 16482
22 held by the Department of Water Resources for the operation of
23 the State Water Project shall be December 31, ~~2085~~ 2046.

24 (2) This subdivision shall not be construed as an approval of
25 any proposed modification of physical facilities of the State Water
26 Project, including the Delta Conveyance Project.

AMENDED IN ASSEMBLY APRIL 6, 2026

CALIFORNIA LEGISLATURE—2025–26 REGULAR SESSION

ASSEMBLY BILL

No. 2216

Introduced by Assembly Member Aguiar-Curry

February 19, 2026

An act to amend Sections 32300, 32301, 32310, 32320, 32330, 32340, 32350, 32360, 32360.5, 32362, 32363, 32364, 32364.5, and 32376 of, *to amend the heading of Chapter 3 (commencing with Section 32320) of Division 22.3 of*, to amend the heading of Division 22.3 (commencing with Section 32300) of, ~~to amend the heading of Chapter 3 (commencing with Section 32320) of Division 22.3 of~~, and to add Section 32361 to, the Public Resources Code, relating to conservation.

LEGISLATIVE COUNSEL'S DIGEST

AB 2216, as amended, Aguiar-Curry. Sacramento-San Joaquin Delta Conservancy.

Existing law establishes in the Natural Resources Agency the Sacramento-San Joaquin Delta Conservancy. Existing law requires the conservancy to act as a primary state agency to implement ecosystem restoration in the Delta and to support efforts that advance environmental protection and the economic well-being of Delta residents. Existing law specifies the composition of the governing board of the conservancy and requires liaison advisers to serve in an advisory, nonvoting capacity. Existing law requires the conservancy to prepare and adopt a strategic plan to achieve the goals of the conservancy and requires the strategic plan to be consistent with certain plans. Existing law authorizes the conservancy to engage in partnerships with nonprofit organizations, local public agencies, and landowners, and authorizes the conservancy to provide grants and loans to state agencies, local public agencies, and

nonprofit organizations to further the goals of the conservancy. Existing law establishes the Sacramento-San Joaquin Delta Conservancy Fund in the State Treasury. Existing law makes moneys in the fund available, upon appropriation by the Legislature, for purposes of these provisions.

This bill would expand the area covered by the conservancy to include the Valley, as defined. The bill would rename the conservancy the Valley and Delta Conservancy, rename the Sacramento-San Joaquin Delta Conservancy Fund the Valley and Delta Conservancy Fund, and make conforming changes. The bill would add 2 additional liaison advisers, who are designees of the Sierra Nevada Conservancy and the San Joaquin River Conservancy, respectively. The bill would require funds to be allocated for activities in the Valley only if there is an appropriation for that purpose. The bill would also authorize the conservancy to engage in partnerships with, and to award grants and loans to, tribal organizations. The bill would establish the Valley Program, under the administration of the conservancy, to support efforts that advance the environmental protection and the economic well-being of Valley residents.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

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

- 1 SECTION 1. The heading of Division 22.3 (commencing with
- 2 Section 32300) of the Public Resources Code is amended to read:
- 3
- 4 DIVISION 22.3. VALLEY AND DELTA CONSERVANCY
- 5
- 6 SEC. 2. Section 32300 of the Public Resources Code is
- 7 amended to read:
- 8 32300. This division shall be known, and may be cited, as the
- 9 Valley and Delta Conservancy Act.
- 10 SEC. 3. Section 32301 of the Public Resources Code is
- 11 amended to read:
- 12 32301. The Legislature finds and declares all of the following:
- 13 (a) The Sacramento-San Joaquin Valley and the Delta, to which
- 14 the tributaries, rivers, sloughs, and channels in the Valley drain,
- 15 are unique natural resources of local, state, and national
- 16 significance.

1 (b) At 1,300 square miles, the Delta is the largest estuary on the
2 west coast of North and South America. Its tributaries, rivers, and
3 labyrinths of sloughs and channels are home to 750 species of
4 plants and wildlife, as well as 55 species of fish, provide habitat
5 for 700 native plant and animal species, and are part of the Pacific
6 Flyway.

7 (c) The Delta also faces many environmental challenges, such
8 as land subsidence, pressure on native species, altered water flow,
9 and habitat conversion.

10 (d) The Delta contains more than 500,000 acres of agricultural
11 land, with unique soils, and farmers who are creative and utilize
12 innovative agriculture, such as carbon sequestration crops,
13 subsidence reversal crops, wildlife-friendly crops, and crops direct
14 for marketing to the large urban populations nearby.

15 (e) The Valley provides critical habitat and ecological value to
16 the State of California. Home to unique habitat and species, it is
17 a crucial part of the Pacific Flyway and holds critical habitat for
18 many species in decline, including the western monarch butterfly.

19 (f) The Valley faces many environmental challenges, such as
20 land fallowing, water scarcity, invasive species, destruction of
21 habitat, and fire risks. The Valley also faces environmental justice
22 challenges, including access to clean, safe, and affordable drinking
23 water, lack of green space, exposure to pollutants and toxins,
24 degraded air quality, and inequitable access to recreation.

25 (g) The Valley, Delta, and Suisun Marsh provide numerous
26 opportunities for recreation, such as boating, camping, kayaking,
27 fishing, hiking, birding, and hunting. Urban areas occur throughout
28 the Valley and the areas surrounding the Delta, making it important
29 to provide access to this region for all.

30 (h) The Delta's history is rich with a distinct natural, agricultural,
31 and cultural heritage. It is home to the community of Locke, the
32 only town in the United States built primarily by early Chinese
33 immigrants. Other legacy communities include Bethel Island,
34 Clarksburg, Courtland, Freeport, Hood, Isleton, Knightsen, Rio
35 Vista, Ryde, and Walnut Grove.

36 (i) The Valley and Delta are the ancestral home to many tribes,
37 including the Maidu, Miwok, and Yokut tribes, and hold cultural
38 significance to tribes throughout the state.

1 (j) The Delta is home to more than 500,000 people and 200,000
2 jobs, and contributes over thirty-five billion dollars
3 (\$35,000,000,000) to the state's economy.

4 (k) In addition, the Delta provides water to more than ~~25 million~~
5 ~~25,000,000~~ Californians and ~~three million~~ ~~3,000,000~~ acres of
6 agricultural land. It supports a ~~four hundred billion dollar~~
7 ~~four-hundred-billion-dollar~~ (\$400,000,000,000) economy and is
8 traversed by energy, communications, and transportation facilities
9 vital to the economic health of California.

10 (l) Together, the Valley and Delta create a complex, interrelated
11 ecosystem that is essential to the State of California and its
12 conservation, equity, and climate goals.

13 (m) The State of California has a commitment, and recognizes
14 that it is in the best interest of the people of California, to fight
15 climate change, protect biodiversity, achieve the state's 30x30
16 goals, as defined in Section 71450, implement nature-based climate
17 solutions, create equity, create access to California resources for
18 all, and ensure equitable access to the outdoors, among other
19 priorities.

20 (n) A Valley and Delta Conservancy can support efforts that
21 advance both the environmental protection and economic
22 well-being of Valley and Delta residents in a complementary
23 manner and in coordination with relevant local, state, and federal
24 agencies, including other state conservancies and the Delta
25 Protection Commission, including all of the following:

26 (1) Protect, enhance, and restore ecosystem function and habitat.

27 (2) Support on-farm activities that contribute to wildlife habitat
28 and provide multiple conservation benefits.

29 (3) Protect and preserve agriculture and working landscapes.

30 (4) Provide increased opportunities for tourism and recreation.

31 (5) Promote Delta legacy communities and economic vitality
32 in the Delta in coordination with the Delta Protection Commission.

33 (6) Increase the resilience of the Valley and Delta to the effects
34 of climate change and natural disasters, such as floods, droughts,
35 wildfires, and earthquakes.

36 (7) Protect and improve water quality.

37 (8) Assist the regional economy through the operation of the
38 conservancy's program, including, but not limited to, supporting
39 workforce development.

1 (9) Identify priority projects and initiatives for which funding
2 is needed.

3 (10) Protect, conserve, and restore the region’s physical,
4 agricultural, cultural, historical, and living resources.

5 (11) Assist local entities in the implementation of their habitat
6 conservation plans and natural community conservation plans.

7 (12) Promote environmental education.

8 SEC. 4. Section 32310 of the Public Resources Code is
9 amended to read:

10 32310. For the purposes of this division, the following terms
11 have the following meanings:

12 (a) “Board” means the governing board of the Valley and Delta
13 Conservancy.

14 (b) “Conservancy” means the Valley and Delta Conservancy.

15 (c) “Delta” means the Sacramento-San Joaquin Delta as
16 described in Section 12220 of the Water Code.

17 (d) “Fund” means the Valley and Delta Conservancy Fund
18 created pursuant to Section 32360.

19 (e) “Local public agency” means a city, county, special district,
20 or joint powers authority.

21 (f) “Natural lands” has the same meaning as defined in Section
22 9001.5.

23 (g) “Nonprofit organization” means a private, nonprofit
24 organization that qualifies for exempt status under Section
25 501(c)(3) of Title 26 of the United States Code and that has among
26 its principal charitable purposes preservation of land for scientific,
27 recreational, scenic, or open-space opportunities, protection of the
28 natural environment, preservation or enhancement of wildlife,
29 preservation of cultural and historical resources, or efforts to
30 provide for the enjoyment of public lands.

31 (h) “Suisun Marsh” means the area defined in Section 29101
32 and protected by Division 19 (commencing with Section 29000).

33 (i) “Tribal organization” has the same meaning as defined in
34 Section 33302.

35 (j) “Valley” means the lands within the Counties of Yolo,
36 Sacramento, Solano, and San Joaquin that are outside of the Delta.

37 (k) “Working lands” has the same meaning as defined in Section
38 9001.5.

1 SEC. 5. The heading of Chapter 3 (commencing with Section
2 32320) of Division 22.3 of the Public Resources Code is amended
3 to read:

4
5 CHAPTER 3. VALLEY AND DELTA CONSERVANCY
6

7 SEC. 6. Section 32320 of the Public Resources Code is
8 amended to read:

9 32320. There is in the Natural Resources Agency the Valley
10 and Delta Conservancy, which is created as a state agency to work
11 in collaboration and cooperation with local governments and
12 interested parties.

13 SEC. 7. Section 32330 of the Public Resources Code is
14 amended to read:

15 32330. The board shall consist of 11 voting members and two
16 nonvoting members, appointed or designated as follows:

17 (a) The 11 voting members of the board shall consist of all of
18 the following:

19 (1) The Secretary of the Natural Resources Agency, or their
20 designee.

21 (2) The Director of Finance, or their designee.

22 (3) One member of the board or a designee who is appointed
23 by the Contra Costa County Board of Supervisors, who is a resident
24 of that county.

25 (4) One member of the board or a designee who is appointed
26 by the Sacramento County Board of Supervisors, who is a resident
27 of that county.

28 (5) One member of the board or a designee who is appointed
29 by the San Joaquin County Board of Supervisors, who is a resident
30 of that county.

31 (6) One member of the board or a designee who is appointed
32 by the Solano County Board of Supervisors, who is a resident of
33 that county.

34 (7) One member of the board or a designee who is appointed
35 by the Yolo County Board of Supervisors, who is a resident of that
36 county.

37 (8) Two public members appointed by the Governor, subject to
38 confirmation by the Senate.

39 (9) One public member appointed by the Senate Committee on
40 Rules.

1 (10) One public member appointed by the Speaker of the
2 Assembly.

3 (b) The two nonvoting members shall consist of a Member of
4 the Senate, appointed by the Senate Committee on Rules, and a
5 Member of the Assembly, appointed by the Speaker of the
6 Assembly. The members appointed under this subdivision shall
7 meet with the conservancy and participate in its activities to the
8 extent that this participation is not incompatible with their positions
9 as Members of the Legislature. The appointed members shall
10 represent a district that encompasses a portion of the Delta.

11 (c) Twelve liaison advisers who shall serve in an advisory,
12 nonvoting capacity shall consist of all of the following:

13 (1) One representative of the United States Fish and Wildlife
14 Service, designated by the United States Secretary of the Interior.

15 (2) One representative of the United States National Marine
16 Fisheries Service, designated by the United States Secretary of
17 Commerce.

18 (3) One representative of the United States Bureau of
19 Reclamation, designated by the United States Secretary of the
20 Interior.

21 (4) One representative of the United States Army Corps of
22 Engineers, designated by the Commanding Officer, United States
23 Army Corps of Engineers, South Pacific Division.

24 (5) A designee of the San Francisco Bay Conservation and
25 Development Commission for coordination purposes.

26 (6) A designee of the State Coastal Conservancy for coordination
27 purposes.

28 (7) A designee of the Sierra Nevada Conservancy for
29 coordination purposes.

30 (8) A designee of the San Joaquin River Conservancy for
31 coordination purposes.

32 (9) A designee of the Suisun Resource Conservation District
33 for coordination purposes.

34 (10) A designee of the Central Valley Flood Protection Board.

35 (11) A designee of the Yolo Basin Foundation.

36 (12) A designee of the Delta Protection Commission.

37 (d) The public members appointed by the Governor shall serve
38 for a term of four years, with a two-term limit.

39 (e) The locally appointed members and alternates shall serve at
40 the pleasure of the appointing board of supervisors.

1 (f) The public members appointed by the Senate Committee on
2 Rules or the Speaker of the Assembly shall serve for a term of four
3 years, with a two-term limit.

4 (g) The Members of the Senate and Assembly shall serve at the
5 pleasure of the appointing body.

6 (h) Alternates for members appointed pursuant to paragraphs
7 (3) to (7), inclusive, of subdivision (a) may be appointed by the
8 respective county boards of supervisors.

9 SEC. 8. Section 32340 of the Public Resources Code is
10 amended to read:

11 32340. The board shall maintain a headquarters office, and
12 may open satellite offices, within the areas under the conservancy's
13 jurisdiction or the counties that those areas are within, or in the
14 City of Sacramento, in the number and location applicable to the
15 conservancy's work under the direction of the board to the extent
16 that funding is available. The conservancy may rent or own real
17 and personal property and equipment pursuant to applicable statutes
18 and regulations.

19 SEC. 9. Section 32350 of the Public Resources Code is
20 amended to read:

21 32350. The board shall hold its regular meetings within the
22 areas under the conservancy's jurisdiction and shall rotate the
23 location of the meetings among the different counties within those
24 areas.

25 SEC. 10. Section 32360 of the Public Resources Code is
26 amended to read:

27 32360. (a) Except as specified in Section 32360.5, the
28 jurisdiction and activities of the conservancy are limited to the
29 Valley, Delta, and Suisun Marsh.

30 (b) (1) The Valley and Delta Conservancy Fund is hereby
31 created in the State Treasury. Moneys in the fund shall be available,
32 upon appropriation by the Legislature, only for the purposes of
33 this division.

34 (2) Funds provided for ecosystem restoration and enhancement
35 shall be available for ecosystem restoration projects consistent
36 with the conservancy's strategic plan adopted pursuant to Section
37 32376.

38 (3) Funds may be allocated to a separate program within the
39 conservancy for economic sustainability in the Valley and Delta.
40 The economic sustainability plan adopted pursuant to Section

1 29759 shall be the basis for the program. Funds provided to the
2 conservancy to implement ecosystem restoration projects pursuant
3 to the Bay Delta Conservation Plan shall only be used for
4 ecosystem restoration purposes.

5 (4) Funds shall only be allocated for activities in the Valley if
6 there is an appropriation by the Legislature for that purpose. Funds
7 that have already been appropriated to the conservancy for activities
8 in the Delta or the Suisun Marsh shall be used in compliance with
9 the conditions of those appropriations and for activities only in
10 those areas.

11 SEC. 11. Section 32360.5 of the Public Resources Code is
12 amended to read:

13 32360.5. (a) In furtherance of the conservancy’s mission and
14 role in implementing the Delta Plan and other relevant plans within
15 the areas under the conservancy’s jurisdiction, the conservancy
16 may take or fund an action outside those areas if the board makes
17 all of the following findings:

18 (a)

19 (1) The project implements the goals of the conservancy, the
20 Delta Plan, and other relevant plans within the areas under the
21 conservancy’s jurisdiction.

22 (b)

23 (2) The project is consistent with the requirements of any
24 applicable state and federal permits.

25 (c)

26 (3) The conservancy has given notice to and reviewed any
27 comments received from affected local jurisdictions, local agencies,
28 and state agencies.

29 (d)

30 (4) The conservancy has given notice to and reviewed any
31 comments received from any state conservancy where the project
32 is located.

33 (e)

34 (5) The project will provide significant benefits to the lands
35 within the areas under the conservancy’s jurisdiction.

36 (b) (1) *For purposes of this section, “other relevant plans”*
37 *includes, but is not limited to, the following:*

38 (A) *Delta Protection Commission’s Land Use and Resource*
39 *Management Plan.*

1 (B) *Delta Protection Commission’s Economic Sustainability*
2 *Plan for the Sacramento-San Joaquin Delta.*

3 (C) *Delta Stewardship Council’s Delta Adapts: Creating a*
4 *Climate Resilient Future Sacramento-San Joaquin Delta Climate*
5 *Change Adaptation Plan.*

6 (D) *Delta Stewardship Council’s Delta Levees Investment*
7 *Strategy.*

8 (E) *Natural and Working Lands Climate Smart Strategy.*

9 (F) *California’s Nature-Based Solutions Climate Targets.*

10 (G) *Any community action plans for legacy communities or*
11 *relevant local plans.*

12 (2) *“Other relevant plans” includes updates and plan transitions*
13 *for all of the plans listed in paragraph (1).*

14 SEC. 12. Section 32361 is added to the Public Resources Code,
15 to read:

16 32361. The Valley Program is hereby established, under the
17 administration of the conservancy, to support efforts that advance
18 the environmental protection and the economic well-being of
19 Valley residents. The program shall support conservancy activities
20 in the Valley, which may include, but are not limited to, activities
21 to do any of the following:

22 (a) Protect, enhance, and restore ecosystem function and habitat.

23 (b) Support on-farm activities that contribute to wildlife habitat
24 and provide multiple conservation benefits.

25 (c) Protect and preserve Valley agriculture and natural and
26 working lands.

27 (d) Provide increased opportunities for tourism and recreation
28 in the Valley.

29 (e) Promote Valley legacy communities and economic vitality.

30 (f) Advance workforce development.

31 (g) Increase the resilience of the Valley to the effects of climate
32 change and natural disasters such as floods, droughts, wildfires,
33 and earthquakes.

34 (h) Protect and improve water quality.

35 (i) Assist the regional economy.

36 (j) Identify priority projects and initiatives for which funding
37 is needed.

38 (k) Protect, conserve, and restore the region’s physical,
39 agricultural, cultural, historical, and living resources.

1 (l) Assist local entities in the implementation of their habitat
2 conservation plans and natural community conservation plans.

3 (m) Promote environmental education.

4 SEC. 13. Section 32362 of the Public Resources Code is
5 amended to read:

6 32362. The conservancy may engage in partnerships with
7 nonprofit organizations, tribal organizations, local public agencies,
8 and landowners.

9 SEC. 14. Section 32363 of the Public Resources Code is
10 amended to read:

11 32363. In implementing this division, the conservancy shall
12 cooperate and consult with the city or county in which a grant is
13 proposed to be expended or an interest in real property is proposed
14 to be acquired, and shall, as necessary or appropriate, coordinate
15 its efforts with other state agencies, in cooperation with the
16 Secretary of the Natural Resources Agency. The conservancy shall,
17 as necessary or appropriate, cooperate and consult with a public
18 water system, levee, flood control, or drainage agency or resource
19 conservation district that owns or operates facilities, including
20 lands appurtenant to those facilities, where a grant is proposed to
21 be expended or an interest in land is proposed to be acquired.

22 SEC. 15. Section 32364 of the Public Resources Code is
23 amended to read:

24 32364. (a) The conservancy may require a grantee to enter
25 into an agreement with the conservancy on terms and conditions
26 specified by the conservancy.

27 (b) The conservancy may require a cost-share or local funding
28 requirement for a grant. The conservancy may make that cost-share
29 or local funding requirement contingent upon the total amount of
30 funding available, the fiscal resources of the applicant, or urgency
31 of the project. The conservancy may waive cost-share requirements.

32 (c) The conservancy may pay grantees at their full federally
33 allocated cost allocation rate or other certified cost allocation rate,
34 when there is no conflict with any applicable laws.

35 (d) The conservancy may make advance payments in accordance
36 with policy set by the board to ensure that moneys are used
37 properly and in accordance with grant agreements.

38 (e) The conservancy may fund or award grants for plans and
39 feasibility studies consistent with its strategic plan, the Delta Plan,

1 or other relevant plans within the areas under the conservancy’s
 2 jurisdiction.

3 (f) The conservancy may seek repayment or reimbursement of
 4 funds granted on terms and conditions it deems appropriate. The
 5 proceeds of repayment shall be deposited in the fund.

6 (g) The conservancy may require any funds that exceed the
 7 costs of eligible or approved projects or of acquisition to be
 8 returned to the conservancy, to be available for expenditure when
 9 appropriated by the Legislature.

10 (h) (1) *For purposes of this section, “other relevant plans”*
 11 *includes, but is not limited to, the following:*

12 (A) *Delta Protection Commission’s Land Use and Resource*
 13 *Management Plan.*

14 (B) *Delta Protection Commission’s Economic Sustainability*
 15 *Plan for the Sacramento-San Joaquin Delta.*

16 (C) *Delta Stewardship Council’s Delta Adapts: Creating a*
 17 *Climate Resilient Future Sacramento-San Joaquin Delta Climate*
 18 *Change Adaptation Plan.*

19 (D) *Delta Stewardship Council’s Delta Levees Investment*
 20 *Strategy.*

21 (E) *Natural and Working Lands Climate Smart Strategy.*

22 (F) *California’s Nature-Based Solutions Climate Targets.*

23 (G) *Any community action plans for legacy communities or*
 24 *relevant local plans.*

25 (2) *“Other relevant plans” includes updates and plan transitions*
 26 *for all of the plans listed in paragraph (1).*

27 SEC. 16. Section 32364.5 of the Public Resources Code is
 28 amended to read:

29 32364.5. (a) The conservancy may provide grants and loans
 30 to state agencies, local public agencies, nonprofit organizations,
 31 and tribal organizations to further the goals of the conservancy.

32 (b) An entity applying for a grant from the conservancy to
 33 acquire an interest in real property shall specify all of the following
 34 in the grant application:

35 (1) The intended use of the property.

36 (2) The manner in which the land will be managed.

37 (3) How the cost of ongoing operations, maintenance, and
 38 management will be provided, including an analysis of the
 39 maintaining entity’s financial capacity to support those ongoing
 40 costs.

1 (4) Grantees shall demonstrate, where applicable, how they will
2 provide payments in lieu of taxes, assessments, or charges
3 otherwise due to local government.

4 SEC. 17. Section 32376 of the Public Resources Code is
5 amended to read:

6 32376. (a) The board shall prepare, adopt, and update as
7 necessary a strategic plan to achieve the goals of the conservancy.
8 The plan shall describe its interaction with local, regional, state,
9 and federal land use, recreation, water and flood management, and
10 habitat conservation and protection efforts within and adjacent to
11 the Delta and Valley. The strategic plan shall establish priorities
12 and criteria for projects and programs, based upon an assessment
13 of program requirements, institutional capabilities, and funding
14 needs throughout the Delta and Valley. The strategic plan shall be
15 consistent with the Delta Plan, the Delta Protection Commission's
16 resources management plan, the Central Valley Flood Protection
17 Plan, the Suisun Marsh Preservation Act of 1977 (Division 19
18 (commencing with Section 29000)), the Habitat Management,
19 Preservation and Restoration Plan for the Suisun Marsh, and other
20 relevant plans within the areas under the conservancy's jurisdiction.

21 (b) (1) For purposes of this section, "other relevant plans"
22 includes, but is not limited to, the following:

23 (A) *Delta Protection Commission's Land Use and Resource*
24 *Management Plan.*

25 (B) *Delta Protection Commission's Economic Sustainability*
26 *Plan for the Sacramento-San Joaquin Delta.*

27 (C) *Delta Stewardship Council's Delta Adapts: Creating a*
28 *Climate Resilient Future Sacramento-San Joaquin Delta Climate*
29 *Change Adaptation Plan.*

30 (D) *Delta Stewardship Council's Delta Levees Investment*
31 *Strategy.*

32 (E) *Natural and Working Lands Climate Smart Strategy.*

33 (F) *California's Nature-Based Solutions Climate Targets.*

34 (G) *Any community action plans for legacy communities or*
35 *relevant local plans.*

36 (2) "Other relevant plans" includes updates and plan transitions
37 for all of the plans listed in paragraph (1).

O

AMENDED IN ASSEMBLY APRIL 6, 2026

CALIFORNIA LEGISLATURE—2025–26 REGULAR SESSION

ASSEMBLY BILL

No. 2447

Introduced by Assembly Member Bauer-Kahan

February 20, 2026

An act to add Chapter 29 (commencing with Section 16300) to Division 7 of the Water Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

AB 2447, as amended, Bauer-Kahan. ~~Water Supply Protection~~ *Water: Nitrogen Pollution Reduction Act.*

Under existing law, the Porter-Cologne Water Quality Control Act, the State Water Resources Control Board and the California regional water quality control boards are the principal state agencies with authority over matters relating to water quality. The act requires the state board to formulate and adopt state policies for water quality control and requires the regional boards to adopt regional water quality control plans in compliance with the state policies. Under the act, the state board and the regional boards prescribe waste discharge requirements for the discharge of waste that could affect the quality of the waters of the state.

This bill would require the State Water Resources Control Board to require the regional boards to update the Irrigated Lands Regulatory Program in order to reduce nitrogen waste discharges from commercial irrigated agricultural areas, as provided. The bill would require the regional boards to adopt revised orders with waste discharge requirements on or before January 1, 2028, that are sufficient to meet certain reductions in nitrogen waste discharges. The bill would require the state board to, on or before July 1, 2027, publish both a list of

standardized crop names and categories, and a statewide methodology for calculating, and field-level reporting of, nitrogen balances for croplands, including nitrogen fertilizer applications and nitrogen discharges, that account for available soil nitrogen, to be used by the regional boards and incorporated into the revised orders. The bill would require the state board, on or before January 1, 2031, and in coordination with the regional boards, to submit a report to the relevant policy committees of the Legislature on progress achieved in implementing these requirements, including data on the extent of progress made toward reducing nitrogen waste discharges, as provided.

~~Existing law establishes the Department of Water Resources within the Natural Resources Agency and vests it with various powers and duties related to water.~~

~~The bill would, upon appropriation of funds by the Legislature, require the state board to convene a Safer Fertilizer Task Force in coordination with the Department of Food and Agriculture to establish best available technology standards for nitrogen-based fertilizers. The bill would require the task force to include persons representing organizations focused on climate-resilient or sustainable agriculture, water quality protection, public health, and biodiversity, as well as persons representing academic institutions, agricultural producers, the fertilizer industry, and appropriate state or local agencies. The bill would require the task force to consult with the Fertilizer Inspection Advisory Board's Technical Advisory Subcommittee in developing those best available technology standards.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

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

1 SECTION 1. Chapter 29 (commencing with Section 16300)
2 is added to Division 7 of the Water Code, to read:

3
4 CHAPTER 29. ~~WATER SUPPLY PROTECTION~~ NITROGEN
5 POLLUTION REDUCTION ACT
6

7 16300. This act shall be known, and may be cited, as the ~~Water~~
8 ~~Supply Protection~~ Nitrogen Pollution Reduction Act.

9 16302. (a) The state board shall require the regional boards
10 to update the Irrigated Lands Regulatory Program in order to reduce

1 nitrogen waste discharges from commercial irrigated agricultural
2 lands so that by January 1, 2030, those lands do not cause or
3 contribute to ~~both~~ *either* of the following:

4 (1) Exceedances of the maximum contaminant level for nitrate,
5 as set forth in Section 64431 of Title 22 of the California Code of
6 ~~Regulations~~. *Regulations, for waters designated for municipal and*
7 *domestic supply.*

8 (2) Exceedances of a water quality objective or total maximum
9 daily load for nitrate, as set forth in applicable approved basin
10 plans.

11 (b) Consistent with Section 13263, the regional boards shall
12 adopt revised orders with waste discharge requirements on or
13 before January 1, 2028, that are sufficient to meet the reductions
14 in nitrogen waste discharge described in subdivision (a) and shall
15 include both of the following:

16 (1) Quantitative limits on nitrogen fertilizer application and
17 nitrogen discharge implemented through an adaptive irrigation
18 and nutrient management plan designed to minimize nitrogen
19 discharge.

20 (2) Sufficient procedures to ensure compliance with the limits
21 described in paragraph (1), which may include, but is not limited
22 to, verification by a certified crop advisor or cooperative or
23 independent monitoring program, cross-referencing fertilizer
24 application information with fertilizer sales information, and water
25 quality or soil testing.

26 (c) The orders described in subdivision (b) may ~~include, if they~~
27 ~~are designed to meet the reductions in nitrogen waste discharge~~
28 ~~described in subdivision (a), any of the following:~~ *include any of*
29 *the following elements, provided the elements are designed to meet*
30 *the reductions in nitrogen waste discharge described in subdivision*
31 *(a):*

32 (1) Provisions to encourage increased participation in programs
33 designed to reduce nitrogen waste and greenhouse gas emissions
34 from agriculture and improve soil health, including, but not limited
35 to, the Healthy Soils Program, the Organic Transition Pilot
36 Program, and the State Water Efficiency and Enhancement
37 Program.

38 (2) Standardized figures estimating reductions in nitrogen
39 discharge for certain sustainable farming practices based on the

1 best available science, including practices supported by programs
2 described in paragraph (1).

3 (3) Credits or discount factors based on the standardized figures
4 in paragraph (1), which may be accounted for in meeting the
5 requirements of paragraph (1) of subdivision (b).

6 (4) Interim limits on nitrogen pollution that accommodate
7 regional differences in agricultural production or surface or
8 groundwater quality.

9 (5) Alternative or streamlined compliance pathways for small
10 and diversified farms of fewer than 50 acres, including simplified
11 monitoring and reporting procedures as well as forms published
12 in languages spoken by small farmer operators, including, but not
13 limited to, Spanish, Hmong, Mandarin, and Punjabi.

14 (d) Consistent with existing law and regulations, the state board
15 may adjust its fee schedule for the Irrigated Lands Regulatory
16 Program to cover the cost of the state board and regional boards
17 in implementing this update to the program. Any adjustment to
18 the fee schedule by the state board shall not include discounts on
19 a per-acre basis for larger farms, which have the effect of smaller
20 farms paying higher per-acre fees than larger farms.

21 (e) (1) On or before July 1, 2027, the state board shall publish
22 both a list of standardized crop names and categories, and a
23 statewide methodology for calculating, and field-level reporting
24 of, nitrogen balances for croplands, including nitrogen fertilizer
25 applications and nitrogen discharges, that shall account for
26 available soil nitrogen, to be used by the regional boards and
27 incorporated into the orders described in subdivision (b).

28 (2) The field-level data produced by the field-level reporting
29 described in paragraph (1) shall be made publicly available.

30 (f) On or before January 1, 2031, the state board, in coordination
31 with the regional boards, shall submit a report to the relevant policy
32 committees of the Legislature, in compliance with Section 9795
33 of the Government Code, on progress achieved in implementing
34 this chapter, including data on the extent of progress made toward
35 meeting the reductions in nitrogen waste discharges through the
36 update to the Irrigated Lands Regulatory Program as described in
37 subdivision (a).

38 (g) Nothing in this section is intended to weaken existing water
39 quality protections in this division. In the event of a conflict

1 between the provisions of this section and any other law, the more
2 stringent provision shall prevail.

3 (h) For purposes of this section, commercial irrigated
4 agricultural lands shall include, but are not limited to, lands that
5 are irrigated to produce crops or pasture for commercial purposes
6 with one or more of the following characteristics:

7 (1) The landowner or operator holds a current operator
8 identification number or permit number for pesticide use reporting.

9 (2) The crop is sold to a third party, including, but not limited
10 to, any of the following:

11 (A) An industry cooperative.

12 (B) A harvest crew or company.

13 (C) A direct marketing location, including a farmers' market.

14 (3) The landowner or operator files federal taxes using the
15 Internal Revenue Service Schedule F (Form 1040) for Profit or
16 Loss From Farming.

17 ~~16304. (a) It is the policy of the state to encourage fertilizer~~
18 ~~companies to increase research, investment, and sale of more~~
19 ~~efficient fertilizer technologies to protect water supplies, reduce~~
20 ~~nitrate leaching, and reduce nitrous oxide emissions.~~

21 ~~(b) Upon appropriation of funds by the Legislature, and in~~
22 ~~furtherance of the policy described in subdivision (a), the state~~
23 ~~board shall convene a Safer Fertilizer Task Force in coordination~~
24 ~~with the Department of Food and Agriculture to establish best~~
25 ~~available technology standards for nitrogen-based fertilizers.~~

26 ~~(c) The Safer Fertilizer Task Force shall include persons~~
27 ~~representing organizations focused on climate-resilient or~~
28 ~~sustainable agriculture, water quality protection, public health, and~~
29 ~~biodiversity, as well as persons representing academic institutions,~~
30 ~~agricultural producers, the fertilizer industry, and appropriate state~~
31 ~~or local agencies.~~

32 ~~(d) In developing best available technology standards, the Safer~~
33 ~~Fertilizer Task Force shall consider the following:~~

34 ~~(1) Scientific and peer-reviewed research on fertilizer efficiency~~
35 ~~and technologies, including enhanced efficiency fertilizers.~~

36 ~~(2) Life-cycle and field performance data.~~

37 ~~(3) Technological feasibility and cost-effectiveness.~~

38 ~~(4) Impact on small and disadvantaged farmers.~~

39 ~~(e) The best available technology standards referenced in~~
40 ~~subdivision (b) shall be designed to prioritize the following:~~

- 1 ~~(1) Reductions in nitrate leaching and runoff to the greatest~~
2 ~~extent feasible.~~
- 3 ~~(2) Reductions in nitrous oxide emissions to the greatest extent~~
4 ~~feasible, as required by the state's policy to achieve net zero~~
5 ~~greenhouse gas emissions as soon as possible, but not later than~~
6 ~~2045, and achieve and maintain net negative greenhouse gas~~
7 ~~emissions after 2045.~~
- 8 ~~(3) Enhanced synchronization of nitrogen release with crop~~
9 ~~uptake.~~
- 10 ~~(f) The Safer Fertilizer Task Force shall consult with the~~
11 ~~Fertilizer Inspection Advisory Board's Technical Advisory~~
12 ~~Subcommittee in developing the best available technology~~
13 ~~standards referenced in subdivision (b).~~
- 14 ~~(g) The state board and regional boards may consult with the~~
15 ~~Safer Fertilizer Task Force and Fertilizer Inspection Advisory~~
16 ~~Board's Technical Advisory Subcommittee in implementing the~~
17 ~~update to the Irrigated Lands Regulatory Program pursuant to~~
18 ~~Section 16302.~~

AMENDED IN ASSEMBLY APRIL 6, 2026
AMENDED IN ASSEMBLY MARCH 19, 2026
CALIFORNIA LEGISLATURE—2025–26 REGULAR SESSION

ASSEMBLY BILL

No. 2739

**Introduced by Assembly Member Soria
(Coauthor: Assembly Member Davies)**

February 20, 2026

An act to add Part 7.5 (commencing with Section 12965) to Division 6 of the Water Code, relating to ~~water~~ *water*, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 2739, as amended, Soria. ~~Community Water Affordability Program~~. *Water: affordability and system stabilization.*

Existing law establishes in the Natural Resources Agency the Department of Water Resources. Existing law vests in the department powers, duties, purposes, responsibilities, and jurisdiction in matters pertaining to water or dams. Existing law declares the responsibility of the state to assist local governments in providing certain essential services and facilities where water resource construction projects financed, in whole or in part, by the state or by the state jointly with the federal government create an undue burden on a local area's ability to provide these services and facilities.

Existing law, 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. Existing law declares it to be the established policy of the state that every human

being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

This bill would establish in the State Treasury the Water Affordability and System Stabilization Fund for holding the principal and income of the Water Affordability and System Stabilization Trust, which the bill would create. The bill would designate the Treasurer as trustee of the trust, as specified, and would require the trustee, among other things, to hold, manage, and invest the principal of the trust with the obligation of providing a growing perpetual source of annual funding to the Water Rate Assistance Fund, administered by the state board, and the Community Water Affordability Assistance Fund, administered by the department, beginning 25 years after the Legislature transfers funding from the General Fund to the Water Affordability and System Stabilization Fund.

This bill would require, during the first 25 years following the Legislature's transfer, 45% of the income of the trust to be transferred from the Water Affordability and System Stabilization Fund to each of the Water Rate Assistance Fund and the continuously appropriated Community Water Affordability Assistance Fund, and would continuously appropriate the remaining 10% of the income of the trust to be invested as part of the principal of the trust. After the first 25 years, the bill would require 50% of the income of the trust to be transferred from the Water Affordability and System Stabilization Fund to each of the Water Rate Assistance Fund and the Community Water Affordability Assistance Fund. The bill would continuously appropriate no more than 1% of the annual income of the trust to pay for administration of the trust. By making continuous appropriations and by transferring moneys into a continuously appropriated fund, the bill would make an appropriation.

This bill would ~~establish~~ require the department, subject to a transfer of moneys by the Legislature, to develop and administer the Community Water Affordability Program to provide funding in the form of grants to local water suppliers for water system repairs, rehabilitation, and enhancements, water safety and quality, and other community water systems for local water system infrastructure projects, as specified, for the purpose of reducing the amount of local ratepayer funding required for those projects. ~~The bill would require the department, upon appropriation by the Legislature, to develop and administer the program.~~ projects and for avoiding costs that would otherwise be paid for by ratepayers. The bill would require the department to develop and adopt

program guidelines and project solicitation documents before disbursing grant ~~funds~~. *funds, and would exempt those guidelines and documents from the rulemaking procedures of the Administrative Procedure Act.* The bill would require the program guidelines ~~to~~ *to, among other things,* require an applicant for a grant to provide at least ~~50%~~ *25%* of the total funding required for the project, as provided. The bill would authorize the department to waive or reduce that minimum amount if that requirement would cause extreme financial hardship to the applicant. The bill would also establish the Community Water Affordability Assistance Fund in the State ~~Treasury~~. *Treasury and would provide for deposit into the fund contributions from private and public entities, as specified.* The bill would ~~make~~ *continuously appropriate* moneys in the fund ~~available, upon appropriation by the Legislature,~~ *to the department for the purposes of the program, including up to 5% annually for administration of the fund, thereby making an appropriation.*

Vote: ~~majority~~ *2/3*. Appropriation: ~~no~~ *yes*. Fiscal committee: *yes*. State-mandated local program: *no*.

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

1 *SECTION 1. Part 7.5 (commencing with Section 12965) is*
 2 *added to Division 6 of the Water Code, to read:*

3
 4 *PART 7.5. WATER AFFORDABILITY AND SYSTEM*
 5 *STABILIZATION*

6
 7 *CHAPTER 1. WATER AFFORDABILITY AND SYSTEM*
 8 *STABILIZATION ACT*

9
 10 *Article 1. General Provisions*

11
 12 *12965. This chapter shall be known, and may be cited, as the*
 13 *Water Affordability and System Stabilization Act.*

14 *12965.5. The Legislature finds and declares all of the*
 15 *following:*

16 *(a) It is the established policy of the state, as stated in Section*
 17 *106.3, that every human being has the right to safe, clean,*
 18 *affordable, and accessible water adequate for human consumption,*
 19 *cooking, and sanitary purposes.*

1 (b) Addressing California’s environmental justice challenges
2 requires that the state work to improve water affordability for
3 impacted communities and households.

4 (c) The cost of water has continued to rise, as has the cost of
5 living in California. The increase in the cost of water is largely
6 attributable to increases in the cost of infrastructure, energy, and
7 regulatory compliance costs.

8 (d) Most of California’s public water systems are governed by
9 Proposition 218, which was passed by voters in November 1996,
10 and requires that customers only be charged proportional, cost of
11 service-based rates. Proposition 218 has been interpreted as
12 prohibiting customers from being charged higher rates to subsidize
13 the costs of other customers.

14 (e) At the same time, climate change has added, and will
15 continue to add, significant additional cost pressure to water
16 systems, as providers must increasingly invest in climate resilience
17 and adaptive infrastructure, which in turn places cost pressure on
18 rates.

19 (f) A low-income rate assistance program will assist in
20 addressing affordability challenges for struggling households, but
21 without addressing system costs, such a program will not be
22 sufficiently effective because these cost pressures will continue to
23 result in increased water rates.

24 (g) Federal and state funding of local water infrastructure helps
25 reduce the amount of ratepayer money that a water system needs
26 to collect to ensure a reliable, safe, and clean water supply for its
27 community, and helps address system affordability constraints.

28 (h) It is in the interest of the people of the state to enact this
29 chapter to establish a trust fund, funded by existing state revenues
30 over multiple years, for the governmental purpose of providing a
31 perpetual source of funding to assist with water system costs that
32 place pressure on water affordability, and to provide low-income
33 Californian households with direct assistance with their water
34 bills, which will provide a benefit to Californians across the state.

35 (i) This chapter does not impose a levy, charge, or exaction of
36 any kind, such as a tax or fee.

37 12966. For purposes of this chapter, the following definitions
38 apply:

39 (a) “Beneficiary” means the people of the state, as represented
40 by the board in its implementation of Chapter 6.2 (commencing

1 with Section 116930) of Part 12 of Division 104 of the Health and
2 Safety Code and its administration of the Water Rate Assistance
3 Fund established pursuant to Section 116932 of the Health and
4 Safety Code, and the department in its implementation of Chapter
5 2 (commencing with Section 12968) and its administration of the
6 Community Water Affordability Assistance Fund established
7 pursuant to Section 12968. The beneficiary's interest in the trust
8 shall only be the distributions required to be made from the trust
9 pursuant to subdivision (b) of Section 12967.

10 (b) "Board" means the State Water Resources Control Board.

11 (c) "Community Water Affordability Assistance Fund" means
12 the Community Water Affordability Assistance Fund established
13 pursuant to Section 12968.

14 (d) "Department" means the Department of Water Resources.

15 (e) "Income" means the money, enhanced value, or other
16 income the trust receives as current return from the investment of
17 the trust principal.

18 (f) "Net income" means the trust income earned July 1 to June
19 30, inclusive, of the previous fiscal year minus all of the necessary
20 and reasonable expenses incident to the administration of the trust
21 during that same period, up to 1 percent of the trust income
22 pursuant to paragraph (2) of subdivision (e) of Section 12967.

23 (g) "Principal" means the trust property, that is held in trust
24 for the beneficiary and to accomplish the purposes described in
25 Section 12965.5.

26 (h) "Trust" means the Water Affordability and System
27 Stabilization Trust.

28 (i) "Trust fund" means the Water Affordability and System
29 Stabilization Fund established pursuant to Section 12966.5 to hold
30 the trust property.

31 (j) "Trust property" means the money transferred to the trust
32 fund and any donation to the trust fund received and accepted by
33 the trustee on or after January 1, 2027.

34 (k) "Trustee" means the Treasurer, who shall serve as the
35 trustee of the trust having all of the fiduciary duties,
36 responsibilities, and obligations consistent with serving as a trustee
37 of a trust under existing law.

38 (l) "Water Rate Assistance Fund" means the Water Rate
39 Assistance Fund established pursuant to Section 116932 of the
40 Health and Safety Code.

1 Article 2. *Water Affordability and System Stabilization Trust*

2
 3 12966.5. (a) (1) *There is hereby created in the State Treasury*
 4 *the Water Affordability and System Stabilization Fund for holding*
 5 *the trust property of the Water Affordability and System*
 6 *Stabilization Trust and for the purpose of implementing the public*
 7 *and governmental purposes of this chapter. Notwithstanding*
 8 *Section 13340 of the Government Code, all moneys in the trust*
 9 *fund are continuously appropriated to the trustee, without regard*
 10 *to fiscal year, for expenditure in accordance with this chapter.*

11 (2) *The distributions by the trustee from the income of the trust*
 12 *are hereby transferred to the board and the department for deposit*
 13 *into, and expenditure from, the Water Rate Assistance Fund and*
 14 *the Community Water Affordability Assistance Fund, respectively,*
 15 *in accordance with subdivision (b) of Section 12967.*

16 (b) *The primary purpose of the Water Affordability and System*
 17 *Stabilization Trust, a charitable trust established pursuant to this*
 18 *chapter, shall be to provide a perpetual source of funding each*
 19 *year to the Water Rate Assistance Fund and the Community Water*
 20 *Affordability Assistance Fund in furtherance of the trust fund*
 21 *purposes described in subdivision (a).*

22 (c) *Moneys in the trust fund, including the trust principal and*
 23 *trust income, shall not be available for appropriation or be*
 24 *borrowed for use for any purpose not established in this chapter.*

25 (d) *Funding of the principal of the trust is hereby authorized*
 26 *and is subject to transfer by the Legislature from the General Fund*
 27 *into the trust fund. All future transfers to the trust fund are hereby*
 28 *irrevocably transferred from the General Fund during the fiscal*
 29 *year the moneys are transferred to the trustee for deposit into the*
 30 *Water Affordability and System Stabilization Fund for distribution*
 31 *and investment to accomplish the purposes of this chapter and on*
 32 *the conditions prescribed in Section 12967.*

33 (e) *Notwithstanding any other law, moneys deposited into the*
 34 *trust fund or to fund the trust shall not be transferred to the*
 35 *General Fund.*

36 12967. (a) (1) *The trustee shall hold the property of the trust*
 37 *for the primary benefit of the trust's beneficiary.*

38 (2) *The trustee shall hold, manage, and invest the principal of*
 39 *the trust in accordance with existing law with the obligation of*
 40 *providing a growing perpetual source of annual funding to the*

1 *Water Rate Assistance Fund and the Community Water*
2 *Affordability Assistance Fund, beginning 25 years after the*
3 *Legislature transfers funding from the General Fund to the Water*
4 *Affordability and System Stabilization Fund. The trustee shall not*
5 *invade the principal of the trust.*

6 *(b) The trustee shall collect, receive, and monetize, if prudent*
7 *and in accordance with existing law, the income of the trust, and*
8 *shall distribute the income of the trust annually as follows:*

9 *(1) During the first 25 years following the Legislature's first*
10 *transfer of revenue from the General Fund to the trust fund, the*
11 *trustee shall distribute the income of the trust as follows:*

12 *(A) Transfer 45 percent of the total income deposited into the*
13 *trust fund during the prior fiscal year to the Water Rate Assistance*
14 *Fund for the board to expend in accordance with Chapter 6.2*
15 *(commencing with Section 116930) of Part 12 of Division 104 of*
16 *the Health and Safety Code.*

17 *(B) Transfer 45 percent of the total income deposited into the*
18 *trust fund during the prior fiscal year to the Community Water*
19 *Affordability Assistance Fund for the department to expend in*
20 *accordance with Chapter 2 (commencing with Section 12968).*

21 *(C) In accordance with existing law, invest the remaining 10*
22 *percent of the total income deposited into the trust fund during the*
23 *prior fiscal year as part of the trust principal.*

24 *(2) After the first 25 years following the Legislature's first*
25 *transfer of revenue from the General Fund to the trust fund, the*
26 *trustee shall distribute the income of the trust as follows:*

27 *(A) Transfer 50 percent of the total income deposited into the*
28 *trust fund during the prior fiscal year to the Water Rate Assistance*
29 *Fund for the board to expend in accordance with Chapter 6.2*
30 *(commencing with Section 116930) of Part 12 of Division 104 of*
31 *the Health and Safety Code.*

32 *(B) Transfer 50 percent of the total income deposited into the*
33 *trust fund during the prior fiscal year to the Community Water*
34 *Affordability Assistance Fund for the department to expend in*
35 *accordance with Chapter 2 (commencing with Section 12968).*

36 *(c) Notwithstanding any other law, the trustee, and any employee*
37 *or agent of the trustee, shall not sell, purchase, exchange, or*
38 *otherwise deal with or dispose of all or any parts of the principal*
39 *of the trust.*

1 (d) The trustee shall exercise its administration of the trust as
 2 a fiduciary to the beneficiary. The trustee, in its administration of
 3 the trust, shall abide by the Uniform Prudent Investor Act (Article
 4 2.5 (commencing with Section 16045) of Chapter 1 of Part 4 of
 5 Division 9 of the Probate Code). The trustee shall have the powers,
 6 obligations, and responsibilities of a trustee prescribed in Part 4
 7 (commencing with Section 16000) of Division 9 of the Probate
 8 Code that are not inconsistent with the purposes of this chapter.

9 (e) The trustee shall:

10 (1) Have the power to accept donations that shall be deemed
 11 property of the trust and increase the principal of the trust.
 12 Donations shall not be expended or transferred until the
 13 Legislature transfers funding from the General Fund to the Water
 14 Affordability and System Stabilization Fund.

15 (2) Use no more than 1 percent of the income of the trust earned
 16 July 1 to June 30, inclusive, of each fiscal year to pay for the
 17 necessary and reasonable expenses incident to the administration
 18 of the trust during that same period.

19 (f) The trustee shall provide for appropriate, as determined by
 20 the trustee, audit, accounting, and fiscal management services,
 21 plans, and reports relative to the trust fund, in accordance with
 22 generally accepted accounting principles adopted by the
 23 Governmental Accounting Standards Board.

24 (g) The trustee annually shall provide the board and the
 25 department with an accounting of the investments and a forecast
 26 of the projected income to be distributed from the trust fund in
 27 future fiscal years.

28 (h) The trust shall be deemed a charitable trust subject to the
 29 supervision of the Attorney General.

30

31 *CHAPTER 2. COMMUNITY WATER AFFORDABILITY PROGRAM*

32

33 12968. (a) For purposes of this chapter, the following
 34 definitions apply:

35 (1) "Board" means the State Water Resources Control Board.

36 (2) "Community water system" has the same meaning as defined
 37 in Section 116275 of the Health and Safety Code.

38 (3) "Department" means the Department of Water Resources.

39 (4) "Fund" means the Community Water Affordability
 40 Assistance Fund.

1 (5) “Program” means the Community Water Affordability
2 Program.

3 (b) (1) The department shall, subject to transfer of moneys into
4 the fund by the Legislature, develop and administer the Community
5 Water Affordability Program. The program shall provide funding
6 in the form of grants to community water systems for local water
7 infrastructure projects that shall include, but are not limited to,
8 projects that improve water supplies, resiliency, or quality, and
9 projects that reduce energy costs for a community water system.
10 The purpose of the grants shall be reducing the amount of local
11 ratepayer funding required for those projects and for avoiding
12 costs that would otherwise be paid for by ratepayers.

13 (2) (A) Before disbursing grant funds pursuant to this section,
14 the department shall develop and adopt program guidelines and
15 project solicitation documents, after soliciting public comment
16 and feedback inclusive of community water systems. The guidelines
17 and project solicitation documents developed pursuant to this
18 section are not subject to Chapter 3.5 (commencing with Section
19 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

20 (B) The program guidelines shall do all of the following:

21 (i) Require an applicant for a grant to provide at least 25
22 percent of the total funding required for the project. Federal
23 funding and other state loans and grants may be included in this
24 amount. The department may waive or reduce that minimum
25 amount if that requirement would cause extreme financial hardship
26 to the applicant.

27 (ii) Establish a methodology for evaluating projects for purposes
28 of a grant award by consideration of factors that include, but are
29 not limited to, the net present value of the cost avoided on a per
30 account basis over a 25-year period of time, the applicant’s ability
31 to complete the project in a timely manner, and the number of
32 households it would benefit.

33 (iii) The established methodology for evaluating projects for
34 purposes of a grant award shall not consider an applicant’s ability
35 to provide the minimum amount of total funding required by clause
36 (i) and shall not prejudice an applicant for requesting that the
37 department waive or reduce that minimum amount due to financial
38 hardship.

39 (C) Before adopting program guidelines and project solicitation
40 documents, the department shall hold at least three public

1 workshops throughout the state on draft program guidelines and
2 shall provide at least 45 days of public comment on the draft.

3 (3) The department shall annually post on its internet website
4 a report on the revenues, expenditures, and benefits of the fund
5 for the prior fiscal year. The report shall include the cumulative
6 and fiscal year number of households the Community Water
7 Assistance Program has benefited and the estimated amount of
8 cost the program has caused to be avoided.

9 (4) The department shall coordinate with the board for projects
10 that seek to combine funding from the program and the board.

11 (c) The department may undertake any of the following actions
12 to implement the fund:

13 (1) Provide for the deposit of any of the following moneys into
14 the fund:

15 (A) Federal contributions.

16 (B) Voluntary contributions, gifts, grants, or bequests.

17 (C) Financial participation by a public agency in an activity
18 authorized for funding from the fund.

19 (2) Enter into agreements for contributions to the fund from the
20 federal government, local or state agencies, or private corporations
21 or nonprofit organizations.

22 (3) Take additional action as may be appropriate for adequate
23 administration and operation of the fund.

24 (4) Expend moneys from the fund for reasonable costs associated
25 with administration of the fund, including outreach regarding the
26 availability of the funding. The department shall not expend more
27 than 5 percent of the annual revenue from the fund for reasonable
28 costs associated with the administration of the fund.

29 (d) The department may set appropriate requirements as a
30 condition of funding, including, but not limited to, any of the
31 following:

32 (1) An audit.

33 (2) Improvements to reduce costs and increase efficiencies of
34 the infrastructure project funded.

35 (3) An evaluation of alternatives.

36 (e) The Community Water Affordability Assistance Fund is
37 hereby established in the State Treasury. Notwithstanding Section
38 13340 of the Government Code, all moneys in the fund are
39 continuously appropriated to the department, without regard to
40 fiscal year, in accordance with this chapter. Moneys in the fund

1 *at the close of the fiscal year shall remain in the fund and shall*
 2 *not revert to the General Fund. Moneys in the fund shall not be*
 3 *available for appropriation or borrowed for use for any purpose*
 4 *not established in this chapter unless that use of the moneys is*
 5 *authorized by statute that receives an affirmative vote of two-thirds*
 6 *of the membership in each house of the Legislature.*

7 SECTION 1. ~~Part 7.5 (commencing with Section 12965) is~~
 8 ~~added to Division 6 of the Water Code, to read:~~

9

10 ~~PART 7.5. COMMUNITY WATER AFFORDABILITY~~
 11 ~~PROGRAM~~

12

13 ~~12965. (a) For purposes of this part, the following definitions~~
 14 ~~apply:~~

15 ~~(1) "Fund" means the Community Water Affordability~~
 16 ~~Assistance Fund.~~

17 ~~(2) "Program" means the Community Water Affordability~~
 18 ~~Program.~~

19 ~~(b) (1) The department shall, upon appropriation by the~~
 20 ~~Legislature, develop and administer the Community Water~~
 21 ~~Affordability Program. The program shall provide funding in the~~
 22 ~~form of grants to local water suppliers for water system repairs,~~
 23 ~~rehabilitation, and enhancements, water safety and quality, and~~
 24 ~~other local water system infrastructure projects, for the purpose~~
 25 ~~of reducing the amount of local ratepayer funding required for~~
 26 ~~those projects.~~

27 ~~(2) (A) Before disbursing grant funds pursuant to this section,~~
 28 ~~the department shall develop and adopt program guidelines and~~
 29 ~~project solicitation documents. The guidelines and project~~
 30 ~~solicitation documents developed pursuant to this section are not~~
 31 ~~subject to Chapter 3.5 (commencing with Section 11340) of Part~~
 32 ~~1 of Division 3 of Title 2 of the Government Code.~~

33 ~~(B) The program guidelines shall require an applicant for a grant~~
 34 ~~to provide at least 50 percent of the total funding required for the~~
 35 ~~project. Federal funding and other state loans and grants may be~~
 36 ~~included in this amount. The department may waive or reduce that~~
 37 ~~minimum amount if that requirement would cause extreme financial~~
 38 ~~hardship to the applicant.~~

39 ~~(c) The Community Water Affordability Assistance Fund is~~
 40 ~~hereby established in the State Treasury. Upon appropriation by~~

- 1 the Legislature, moneys in the fund shall be made available to the
- 2 department for the purposes of the program.

O

AMENDED IN SENATE APRIL 21, 2026
AMENDED IN SENATE MARCH 17, 2026

SENATE BILL

No. 1001

Introduced by Senator Archuleta
(Coauthors: Senators Dahle, Grayson, and Rubio)

February 9, 2026

An act to add Section 8585.6 to the Government Code, and to amend Section 409.5 of the Penal Code, relating to emergency services.

LEGISLATIVE COUNSEL'S DIGEST

SB 1001, as amended, Archuleta. Local agency, ~~corporation~~, *public utility*, or mutual water company: personnel access: Personal Identity Verification-Interoperable.

Existing law creates the Office of Emergency Services within the office of the Governor and sets forth its powers and duties, including establishing by rule and regulation various classes of disaster service workers, the scope and duty of each class, and the way disaster service workers of each class are to be registered.

Existing law authorizes officers of the Department of the California Highway Patrol, police departments, marshal's office or sheriff's office, and officers or employees of the Department of Forestry and Fire Protection or the Department of Fish and Wildlife designated as peace officers to close to all unauthorized persons an area where a menace to the public health or safety created by a calamity exists for the duration of the menace and the immediate area surrounding any emergency field command post or any other command post activated for the purpose of abating a calamity, riot, or other civil disturbance, as specified. Under existing law, an unauthorized person who enters or remains in a closed area, as prescribed, is guilty of a misdemeanor.

This bill would, beginning on July 1, 2028, require the Office of Emergency Services, upon request, to issue a local agency, ~~corporation,~~ *public utility*, or mutual water company responsible for public works and critical infrastructure with specified credentialing to facilitate personnel access to an area during or following a natural disaster, act of terrorism, or other man-made disaster. The bill would specify that the credentialing, a Personal Identity Verification-Interoperable (PIV-I), would conform with the federal Personal Identity Verification standards pursuant to federal National Incident Management System guidelines.

This bill would require the application for a PIV-I card to be signed by a duly authorized representative of a local agency, ~~corporation,~~ *public utility*, or mutual water company and include a certification by the local agency, ~~corporation,~~ *public utility*, or mutual water company.

This bill would ~~authorize~~ *require* the office to impose and collect a fee from a local agency, ~~corporation,~~ *public utility*, or mutual water company for a PIV-I card that does not exceed the reasonable costs of the identification card program.

This bill would specify that the authorization for particular officers to close an area, as described above, shall not prevent an individual who holds a valid PIV-I card *or an individual who holds a valid identification card issued by a local agency, public utility, or mutual water company* from entering the closed area unless a peace officer finds that the disaster is of such a nature that it would be unsafe for the cardholder to enter or that the presence of the cardholder would interfere with disaster response.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

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

- 1 SECTION 1. The Legislature finds and declares the following:
- 2 (a) Electrical, natural gas, water, and wastewater systems
- 3 represent critical infrastructure that is vulnerable to a wide range
- 4 of natural and man-made disasters. Critical services such as
- 5 firefighting and health care, as well as other dependent and
- 6 interdependent sectors like public health and critical manufacturing,
- 7 could experience severe consequences from disruptions in utility
- 8 services.
- 9 (b) Preserving critical infrastructure functions, minimizing health
- 10 and safety threats, and efficiently restoring and revitalizing systems

1 and services requires timely access to critical infrastructure by
2 utility personnel.

3 (c) The use of a common approach for managing access and
4 phased reentry into evacuation zones is particularly important
5 during incidents that require significant population evacuations to
6 ensure the coordination of public and private sector response and
7 recovery assets and restoration of critical infrastructure and
8 essential public services.

9 (d) The Office of Emergency Services, pursuant to its California
10 Emergency Services Act responsibilities to prepare the state for
11 disasters, may do both the following:

12 (1) Provide guidance to local emergency management agencies
13 to ensure that there is a process to coordinate and approve resources
14 for access into restricted areas in order to improve coordination
15 with utilities requiring access and law enforcement entities
16 enforcing access controls.

17 (2) Encourage a review of emergency preparedness plans
18 regarding lines of authority and existing control and management
19 procedures regarding the establishment of access requirements
20 and the conduct of reentry operations during emergencies to enable
21 utility personnel to timely participate in response and recovery
22 operations in order to minimize or eliminate the potential loss of
23 life and property damage.

24 SEC. 2. Section 8585.6 is added to the Government Code, to
25 read:

26 8585.6. (a) Beginning on July 1, 2028, the office shall, upon
27 request, issue a local agency, ~~corporation~~, *public utility*, or mutual
28 water company responsible for public works and critical
29 infrastructure with credentialing to facilitate personnel access to
30 an area during or following a natural disaster, act of terrorism, or
31 other man-made disaster.

32 (b) The office shall prepare and make available no later than
33 July 1, 2028, an application for a local agency, ~~corporation~~, *public*
34 *utility*, or mutual water company to request that an individual be
35 issued a Personal Identity Verification-Interoperable (PIV-I)
36 credential that conforms with the federal Personal Identity
37 Verification standards pursuant to federal National Incident
38 Management System guidelines. The office shall provide a PIV-I
39 card upon receipt of the application signed by a duly authorized
40 representative of a local agency, ~~corporation~~, *public utility*, or

1 mutual water company that includes a statement justifying the
2 need for the individual to receive that identification for purposes
3 of access to those ~~areas and certification by the local agency,~~
4 ~~corporation, or mutual water company.~~ *areas*. The application
5 shall also indicate that the individual has completed appropriate
6 education, training, experience, and certification or licensure for
7 performing ~~the purposes for access.~~ *an emergency support function*
8 *discipline or activity*.

9 (c) Access to an area closed in accordance with subdivision (a)
10 of Section 409.5 of the Penal Code ~~shall~~ *may* be granted to an
11 individual issued a PIV-I card by the incident commander, a law
12 enforcement official having jurisdiction, or their designee. If access
13 is granted by emergency response personnel other than the incident
14 commander, the emergency response personnel shall notify the
15 incident commander that access has been provided to the individual
16 issued a PIV-I card.

17 (d) A PIV-I card issued by the office shall be valid for five years
18 from the date of issuance and shall be renewable upon submission
19 of an application for renewal.

20 (e) A local agency, ~~corporation,~~ *public utility*, or mutual water
21 company shall be responsible to collect and destroy a PIV-I card
22 if the individual issued a PIV-I card ceases employment with the
23 employer or the job duties of the individual change, making access
24 afforded by the PIV-I card no longer appropriate.

25 (f) The office shall impose and collect a fee from a local agency,
26 ~~corporation,~~ *public utility*, or mutual water company for a PIV-I
27 card that does not exceed the reasonable costs of issuing the card
28 and administration of the program described in this section.

29 (g) *For purposes of this section, "public utility" has the same*
30 *meaning as the term is defined in Section 216 of the Public Utilities*
31 *Code.*

32 SEC. 3. Section 409.5 of the Penal Code is amended to read:

33 409.5. (a) When a menace to the public health or safety is
34 created by a calamity including a flood, storm, fire, earthquake,
35 explosion, accident, or other disaster, officers of the Department
36 of the California Highway Patrol, police departments, marshal's
37 office or sheriff's office, an officer or employee of the Department
38 of Forestry and Fire Protection designated a peace officer by
39 subdivision (g) of Section 830.2, an officer or employee of the
40 Department of Parks and Recreation designated a peace officer by

1 subdivision (f) of Section 830.2, an officer or employee of the
2 Department of Fish and Wildlife designated a peace officer under
3 subdivision (e) of Section 830.2, and a publicly employed full-time
4 lifeguard or publicly employed full-time marine safety officer
5 while acting in a supervisory position in the performance of their
6 official duties, may close the area where the menace exists for the
7 duration of the menace by means of ropes, markers, or guards to
8 all persons not authorized by the lifeguard or officer to enter or
9 remain within the enclosed area. If the calamity creates an
10 immediate menace to the public health, the local health officer
11 may close the area where the menace exists pursuant to the
12 conditions set forth in this section.

13 (b) Officers of the Department of the California Highway Patrol,
14 police departments, marshal's office or sheriff's office, officers
15 of the Department of Fish and Wildlife designated as peace officers
16 by subdivision (e) of Section 830.2, or officers of the Department
17 of Forestry and Fire Protection designated as peace officers by
18 subdivision (g) of Section 830.2 may close the immediate area
19 surrounding any emergency field command post or any other
20 command post activated for the purpose of abating a calamity
21 enumerated in this section or a riot or other civil disturbance to all
22 unauthorized persons pursuant to the conditions set forth in this
23 section whether or not the field command post or other command
24 post is located near the actual calamity or riot or other civil
25 disturbance.

26 (c) An unauthorized person who willfully and knowingly enters
27 an area closed pursuant to subdivision (a) or (b) and who willfully
28 remains within the area after receiving notice to evacuate or leave
29 shall be guilty of a misdemeanor.

30 (d) (1) This section shall not prevent a duly authorized
31 representative of a news service, newspaper, or radio or television
32 station or network from entering the areas closed pursuant to this
33 section.

34 (2) This subdivision does not authorize a duly authorized
35 representative of a news service, newspaper, or radio or television
36 station or network to facilitate the entry of a person into, or
37 facilitate the transport of a person within, an area closed, unless
38 for the safety of the person, pursuant to this section if that person
39 is not a duly authorized representative of a news service,
40 newspaper, or radio or television station or network.

1 (e) This section shall not prevent an individual who holds a
2 valid livestock pass identification document, pursuant to Section
3 2350 of the Food and Agricultural Code, from entering the areas
4 closed pursuant to this section, unless a peace officer identified in
5 subdivision (a) finds that the disaster is of such a nature that it
6 would be unsafe for the documentholder to enter or that the
7 presence of the documentholder would interfere with disaster
8 response.

9 (f) This section shall not prevent an individual who holds a valid
10 PIV-I card issued pursuant to Section 8585.6 of the Government
11 Code *or an individual who holds a valid identification card issued*
12 *by a local agency, public utility, as defined in Section 216 of the*
13 *Public Utilities Code, or mutual water company* from entering an
14 area closed pursuant to this section unless a peace officer identified
15 in subdivision (a) finds that the disaster is of such a nature that it
16 would be unsafe for the cardholder to enter or that the presence of
17 the cardholder would interfere with disaster response.

18 SEC. 4. Nothing in this measure is intended to impact the
19 relationship, duties, or responsibilities as between the Office of
20 Emergency Services and local emergency operations plans,
21 emergency operations centers, and the incident command system.