

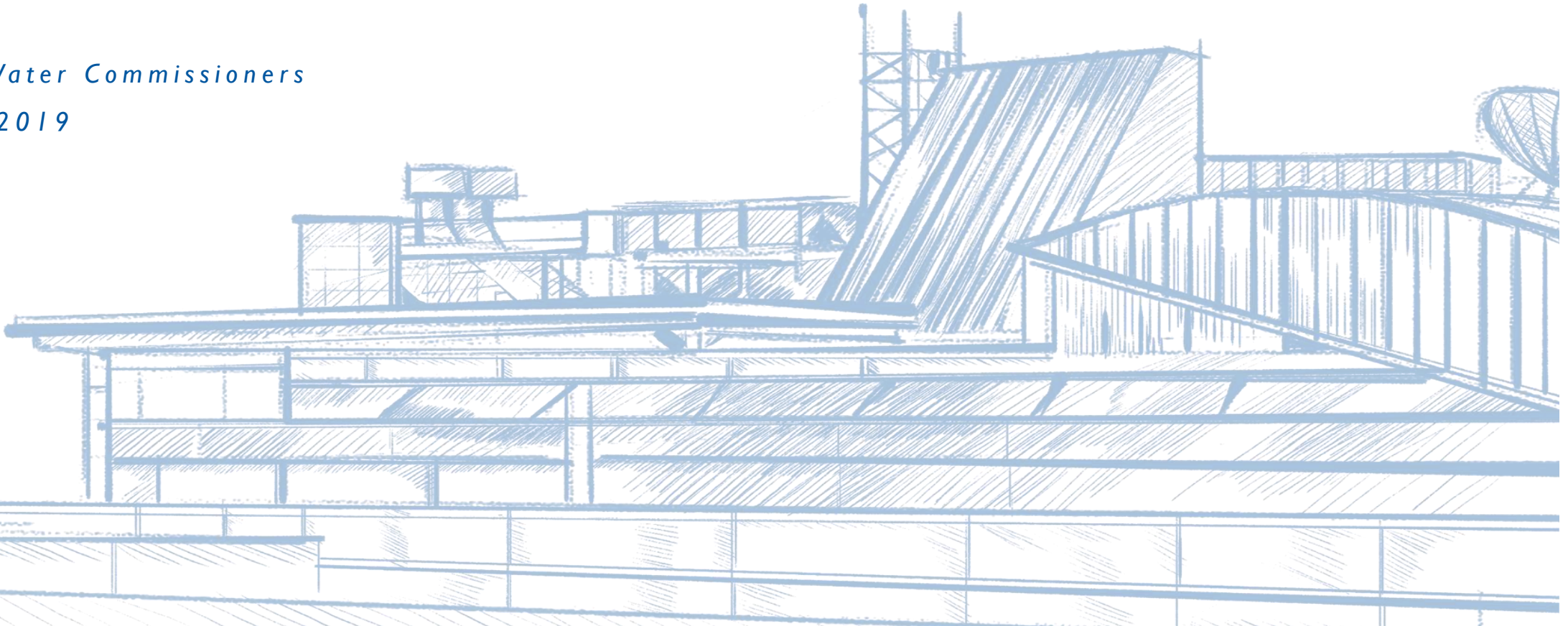


Long Beach Water

# Legislative Update

*Board of Water Commissioners*

*August 8, 2019*



# Approach

- State and Federal legislative activities - consultants
  - Bi-weekly conference calls
    - Review legislation, committee/conference activities
    - Review other group meetings – CMUA, ACWA, MWD
    - Establish any follow-up needed
  - Ongoing communications
    - Bill language development, activities
    - Requests for endorsement – group and individual
- Largest activity – State
  - Federal Activity focused on budget status, some reauthorizations
    - USBR authorizations and funding targets



# Approach

- The Gualco Group – state legislative consultants
  - Monthly status reports – copies distributed in Commissioner folders
  - Excellent coverage, insight, and input to legislation tracking
- Carpi & Clay – federal legislative consultants
  - Monthly status reports – copies distributed in Commissioner folders
  - Excellent coverage on existing and proposed legislation
    - Authorizations, appropriations
- Both consultants will provide their regular board briefing at a future board meeting



# Approach

- **Currently – AGM lead with consultant support**
  - Based on Board approved legislative platform (2017)
  - Support letters, CMUA, ACWA, MWD joint letters
    - With GM and President/Vice President concurrence and signature
- **Develop staff support to AGM, consultants**
  - Staff support of legislative review and internal coordination
    - Water Quality, for example
  - Staff coordination on grant funding and grant consultants
- **Continue with semi-annual board summary update**
  - Specific issue or formal review/response as needed



# State Legislative Update

- Focus Issue – Safe Drinking Water Fund and Objectives
  - Studies have identified several thousand small systems (3000 customers or less) with some level of contamination in their water supply
    - These systems are mostly based on groundwater, and shallow wells
    - These systems are concentrated in California's Central Valley
  - Legislative focus was to drive funding for physical solutions
  - In 2018, focus was to consolidate the small systems



# State Legislative Update

- During 2019, up to four (4) Bills directly involved
  - Funding sources
    - Tax on water bills throughout the state
    - One time funding from budget surplus
    - Tax on dairy and fertilizer industries
  - Use of funds – capital vs. operations and maintenance
  - Identification of specific needs to target funding
- Final legislation approved by Governor Newsom
  - Budget trailer bill – SB200 (Monning) used for language



# State Legislative Update

- Summary – final legislative action SB200 (Monning)
  - Funding
    - \$100 million from Greenhouse Gas Reduction Fund – continuous, not-to-exceed 5% of funds, capped at \$130 million
    - \$30 million from General Fund – backstop \$130 million cap, sunsets 2030
    - \$3.4 million to SWRCB – administrative costs
    - No water tax on water bills
    - Helps fund improvements to affected small water supply systems
- Still pending – SB414 (Caballero)
  - Reintroduction of last year's small system consolidation bill
  - Awaiting action upon return from recess on Aug 12



# State Legislative Update

- **SB 646 (Morrell) – Connection fees**
  - Water and sewer connection fees to bear a reasonable relationship to the burdens or benefits from said connection
  - Reinforces other areas such as Prop 26 and Prop 218
- **SB 1 (Atkins) – Maintain federal standards prior to modification**
  - Establishes process to maintain existing federal standards prior to “lessening of stringency” by congressional or Executive action.
  - Critical was current negotiated process of Voluntary Settlement Agreements on San Joaquin and Sacramento rivers, with Governor Newsom’s support
  - Hearings on the legislation will continue in August





# Federal Legislative Update

- Focus Issue – President’s Budget FY 20 targets
  - Substantial reductions in critical categories
    - WaterSmart
    - Title XVI
- Bipartisan two-year budget adopted
  - “Top line” funding approved for FY 20 and FY 21
  - House has passed majority of funding bills
  - Senate will start after recess
  - Not likely to have all funding defined by October 1, 2019





Long Beach **Water**

Exceptional Water • Exceptional Service

