

**Safe and Affordable Funding for Equity and Resilience (SAFER)
Advisory Group**

May 24, 2023, Meeting Materials Packet

Please review this packet before the meeting.

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Discussion #1: 2023 Needs Assessment Results

OVERVIEW

The purpose of the annual Needs Assessment is to (1) **identify communities** in California that are failing or at risk of failing to have access to safe drinking water; (2) **estimate the cost** implementing solutions for these communities; and (3) **identify affordability challenges** that may pose as barriers to implementing these solutions.

White papers, presentations, public feedback received, and webinar recordings can be found on the State Water Board's [Needs Assessment](#) webpage.

The 2023 Drinking Water Needs Assessment is available online at: <https://bit.ly/SAFER-NA-Report-23>.

Affordability-Related Enhancements

In response to stakeholder feedback after the release of the 2021 and 2022 Needs Assessment, the State Water Board in partnership with the Office of Environmental Health Hazard Assessment (OEHHA), hosted three public Affordability Workshops in 2022 to re-evaluate previously utilized affordability indicators. In response, the 2023 Needs Assessment:

- Removes two affordability indicators from the Affordability Assessment: 'Percent of Residential Arrearages' and 'Residential Arrearage Burden.' Current data for these risk indicators is not available for use in the Needs Assessment because it was only collected as a part of the COVID-19 pandemic Drinking Water Arrearage Payment Program.
- Includes a new affordability indicator, "Household Socioeconomic Burden," a composite indicator that is a combined measure of Housing Burden and Poverty Prevalence that measures the extent to which low-income customers may have affordability challenges now or in the future because their disposable income is constrained by high housing costs. This allows for the first time, the inclusion in the assessment of approximately 680 community water systems (i.e., mobile home parks, etc.) that do not charge customers directly for water.

State Small and Domestic Well Risk Assessment Enhancements

The 2022 Risk Assessment included two risk categories for state small water systems and domestic wells: Water Quality and Water Shortage. In 2022, the State Water Board partnered with OEHHA to develop a third category that analyzed socioeconomic risk. The purpose of the new Socioeconomic risk category is to (1) assess a counties' overall administrative, technical, and managerial capacity to assist communities served by state small water systems and domestic wells and (2) assess the ability of communities served by these systems to access and pay for water at a neighborhood level, especially when faced with a well experiencing water quality or water shortage issues.

2023 RISK ASSESSMENT RESULTS

As of January 1, 2023, there were 388 water systems, serving a population of approximately 938,000 people on the Failing list. The 2022 Risk Assessment correctly predicted approximately 87% of the water systems that were on the Failing list in 2022. Below is the

summary of the 2023 Risk Assessment results for public water systems, state small water systems, and domestic wells.

Figure 1 – Summary of the 2023 Risk Assessment Results

System Type	Total Systems Analyzed	At-Risk
Public Water Systems	3,053	512 (17%)
State Smalls Water Systems	1,297	245 (19%)
Domestic Wells	291,401	81,588 (28%)

NO 2023 COST ASSESSMENT UPDATE

This 2023 Needs Assessment does not include an updated Cost Assessment. The State Water Board is currently updating the full Cost Assessment Model for Failing and At-Risk public water systems, state small water systems, and domestic wells for the 2024 Needs Assessment. The State Water Board began hosting public workshops in 2022 and additional workshops are planned for 2023. This 2-year enhancement effort includes:

1. Updating how the Cost Assessment Model identifies and selects interim and long-term solutions for Failing and At-Risk systems.
2. Updating and enhancing the cost assumptions and formulas used in the Model to estimate costs – both capital and non-capital.
3. Improving the analysis of the Cost Assessment results.
4. Improving transparency by making the underlying data, formulas, etc. more accessible.

2023 AFFORDABILITY ASSESSMENT RESULTS

The Affordability Assessment identifies community water systems that serve disadvantaged communities (DAC/SDAC) that may face financial management issues due to customer fiscal stresses. Affordability indicators used:

- **Percent Median Household Income:** average residential customer charges for 6 hundred cubic feet (HCF) per month that meet or exceed 1.5% of the annual Median Household Income (MHI) within a water system’s service area.
- **Extreme Water Bill:** customer charges that meet or exceed 150% and 200% of statewide average drinking water customer charges at the 6 HCF level.
- **Household Socioeconomic Burden:** measures the percent of households in a census tract that are both low income (making less than 80% of the Housing and Urban Development (HUD) Area Median Family Income) and severely burdened by housing costs (paying greater than 50% of their income to housing costs).

The State Water Board identified 75 (5%) DAC/SDAC water systems that had a high affordability burden, 246 (17%) with a medium affordability burden, 889 (60%) with a low affordability burden, and 272 (18%) with no affordability burden.

DEMOGRAPHIC ANALYSIS OF NEEDS ASSESSMENT RESULTS

The State Water Board has compared the results of the Risk and Affordability Assessments to socio-economic data to better understand the communities most in need. The results of this analysis are summarized below:

- Communities served by Failing list systems on average experience 9% higher pollution burden, 3.2% greater linguistic isolation, and serve a 4.2% greater proportion of non-white households than systems non-Failing systems.
- Communities served by At-Risk public water systems on average experience 13% higher pollution burden, 4.6% greater linguistic isolation, and serve a 21.7% greater proportion of non-white households than systems not At-Risk.
- Communities served by At-Risk state small water systems and domestic wells on average experience 9.6% higher CalEnviroScreen 4.0 scores, 9.1% higher pollution burden, and serve a 3.9% greater proportion of non-white households than systems not At-Risk communities served by state small water systems and domestic wells.
- When compared with Non-DAC/SDAC public water systems, DAC/SDAC water system service areas tend to have 2.7% higher pollution burdens, 22% higher percentage of households in poverty, 4.9% higher percentage of limited English-speaking households, and are 8.2% likely to serve a greater proportion of non-white communities.

DISCUSSION QUESTIONS

1. We're starting to see more systems staying on the Failing list for longer periods of time. How should these systems be prioritized for assistance and funding?
2. How should the SAFER program use the Risk Assessment and demographic data in defining program goals and outcomes?

Discussion #2: Draft Funding Process for Operations and Maintenance

OVERVIEW

The Fiscal Year (FY) 2022-23 Fund Expenditure Plan (FEP) targeted \$5 million towards direct Operation and Maintenance (O&M) support for out-of-compliance or at-risk public water systems (PWSs) or consolidations. Additionally, the FY 2022-23 FEP identified a few high-level priorities for the Direct O&M Funding Program (O&M Program), including consideration of results of the most recent Needs Assessment, particularly the Affordability Assessment. O&M Program Guidelines will be incorporated into the next annual FEP and/or Policy for Developing the Fund Expenditure Plan for the Safe and Affordable Drinking Water Fund (SADW Fund Policy).

The goal of the O&M Program is to support the affordability of water (as part of the human right to water) while improving system sustainability. One key aspect of ensuring feasibility of broader program implementation is developing a standardized administrative approach to distribute funds efficiently.

The proposals outlined below are in draft form and are provided for scoping purposes.

PROPOSED / DRAFT O&M PROGRAM FUNDING APPROACH

In general, the State Water Board will use a streamlined approach to committing O&M assistance for Tier 1- Statewide Prioritization projects and a standard approach for Tier 2- Case-by-Case projects.

Tier 1 – Statewide Prioritization

Small¹, disadvantaged community (DAC)² or severely disadvantaged community (SDAC)³ water systems that have water rates that are above 2.5 percent (%) of the community's median household income (MHI)⁴ meeting certain additional criteria will be considered for a streamlined solicitation and approval process with template funding agreements. For the first year of implementation (FY 2023-24), it is expected that existing SAFER Program staff can effectively manage approximately 30 new O&M funding agreements (each with an estimated three-year term).

¹ "Small community water system" means a community water system (CWS) that serves no more than 3,300 service connections or a yearlong population of no more than 10,000 persons. "Community water system" means a public water system that serves at least 15 service connections used by yearlong residents or regularly serves at least 25 yearlong residents of the area served by the system.

² "Disadvantaged community" means a community in which the MHI is less than 80% of the statewide annual MHI.

³ "Severely disadvantaged community" means a community in which the MHI is less than 60% of the statewide annual MHI.

⁴ This is the annual system-wide average residential water bill per month relative to the annual MHI within a water system's service area.

Since the need is greater than the resources available, a prioritization scheme will ensure O&M funding is distributed to most in need communities. As currently proposed, the purpose of the funding provided to qualifying Tier 1 systems will be to lower the water rates down to 2.5% of the community's MHI and to assist the system in establishing an operating reserve account. Specific system requirements to receive funding (e.g., lowering water rates, conducting a feasibility study on how to improve system sustainability, etc.) will be included in the O&M Program Guidelines and as special conditions in each funding agreement. TA may be available to assist systems in meeting these requirements.

Prioritizing Tier 1

Eligibility criteria:

- Small DAC/SDAC water systems with water rates above 2.5% of the community's MHI
- Have a high affordability burden per the 2023 Affordability Assessment

Further prioritization may include ranking based on failing, at-risk, or potentially at-risk of failing status, according to the 2023 Needs Assessment.

Tier 2 – Case-by-Case

Projects may be considered for O&M funding on a case-by-case basis for circumstances including, but not limited to:

- Small DAC/SDAC water systems with existing debt burdens
- Small DAC/SDAC water systems where revenue collected is less than the operational costs and water service is likely to discontinue due to the revenue shortfall.
- Non-transient, non-community water systems owned by a K-12 public school district.
- Small DAC/SDAC water systems owned by California Native American Tribes that can demonstrate an O&M assistance need.
- Other small DAC/SDAC systems facing unique affordability challenges that are not part of the initial round of Tier 1 systems.

Additional types of direct O&M assistance not listed here may be considered by the Division of Financial Assistance (DFA) Deputy Director on a case-by-case basis.

Other O&M Funding

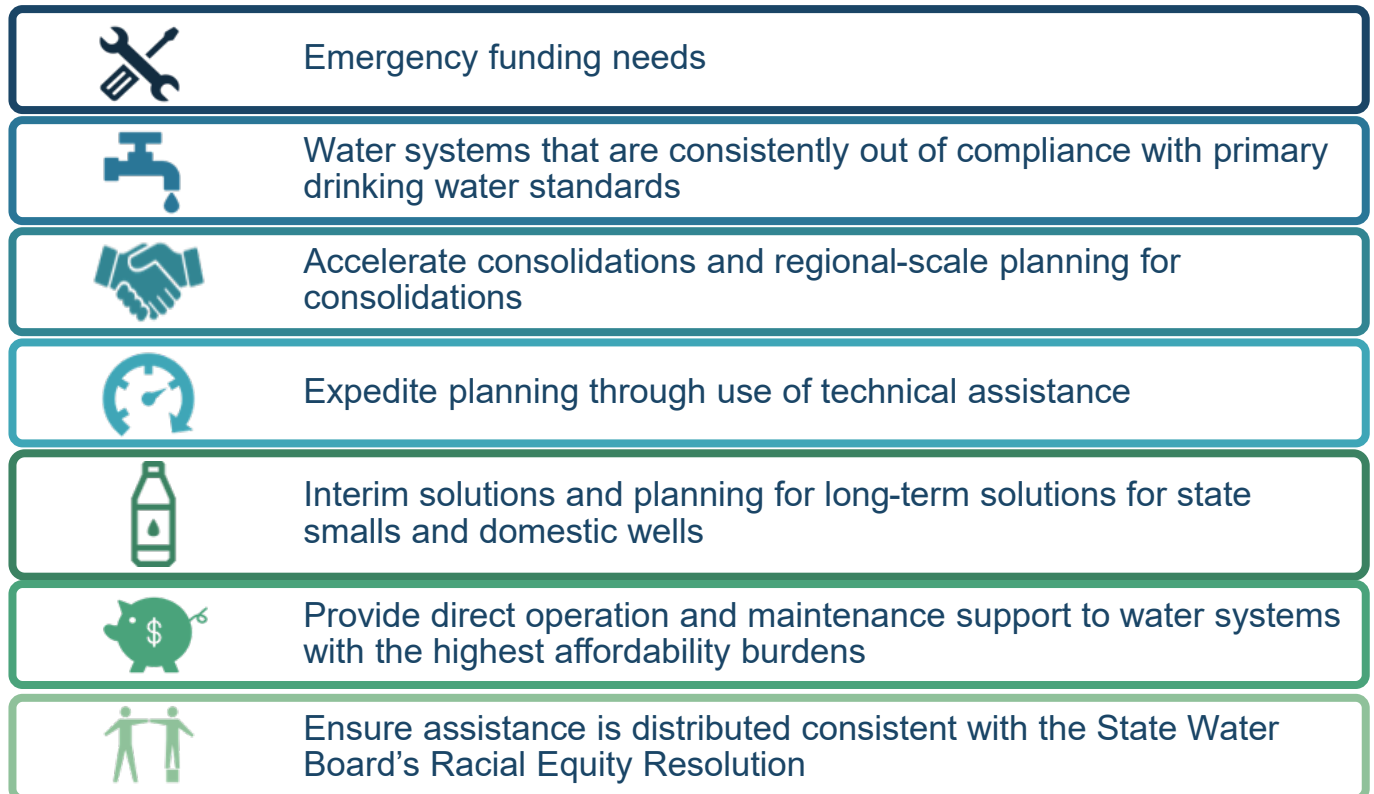
Additionally, the State Water Board may enter into separate funding agreements for direct O&M assistance to facilitate voluntary consolidations and for water systems where an administrator has been appointed by the State Water Board's Division of Drinking Water (DDW).

Discussion #3: Draft Priorities for the Fund Expenditure Plan

CURRENT FY 2022-23 PRIORITIES

Based on current adopted priorities, expenditures from the SADW Fund for FY 2023-24 will focus on solutions for small DACs and low-income households as shown in Figure 2.

Figure 2. FY 2022-23 SADW Fund Expenditure Priorities



SAFER PROGRAM PERFORMANCE FY 2022-23

Table 3 below shows SAFER Program performance so far for FY 2022-23, through March 31, 2023. A total of around \$1.15 billion, at least \$828 million of which was available for capital projects, was available for use in FY 2022-23 from complementary funding sources that make up the broader SAFER Program (i.e., SADW Fund, General Fund, Drinking Water Bonds, Drinking Water State Revolving Fund (DWSRF) Principal Forgiveness).

Table 3. FY 2022-23 SAFER Program Performance (7/1/2022-3/31/2023)

	Water Systems (Communities / Schools)	Households	No. of Connections Benefiting	No. of People Benefiting	Total Assistance Provided	FY 2022-23 Goal
Interim Assistance	104	1,573	1,453	42,793	\$4.4 M	50 communities
Technical Assistance (TA) Projects	67 (10 planning via TA)		29,327	89,1443	\$3.3 M	100
Planning Projects	26		11,067	33,272	\$14.5 M	10
Construction Projects	60 (56)		1.4 M (217,456)	3.7 M (240,989)	\$505.8 M (\$364.4 M)	30

SAFER HIGHLIGHTS FY 2022-23

Key highlights for the SAFER Program in FY 2022-23 include the following:

- Expedited Drinking Water Grant Program (EDWG) Guidelines adopted. The first EDWG agreements are anticipated to be executed in late summer 2023.
- All General Fund drought funds (CA Emergency Relief Fund, \$50 M) committed to projects.
- Project specific Administrator funding provided to 4 systems designated for Administrator services (\$1.5 M).
- Added \$15 M to Master Administrator Agreement with Provost and Prichard to significantly increase Administrator services statewide.
- Committed funding to 5 Master Technical Assistance (TA) agreements with new TA Providers (~\$56 M total).
- Developing guidelines for Direct O&M Assistance.
- Working with 4 counties towards executed funding agreements (\$7.1 M) to assist those served by state smalls and domestic wells with drought and water quality needs.
- Established a Funding Partner that will support local community groups and develop community and household level outreach and engagement tools that can be applied statewide.
- Committed funding to 5 projects (\$1.8 M) to complete long-term solutions through the Urgent Drinking Water process.
- Additional program data and metrics are being compiled for incorporation into the FY 2023-24 FEP and publication on the web.

FY 2022-23 SADW FUND COMMITMENTS

Table 4 below shows SADW funding committed by system type on the left and solution type across the top. Black text is what has been committed this FY and the grayed-out text is what was targeted in the previous FEP.

**Table 4. FY 2022-23 SADW Fund Estimated Committed Expenditures
(In millions) (\$ committed/ (\$ target)) (as of March 31, 2023)**

Water System Category	Interim Water Supplies and Emergencies	Technical Assistance (includes Planning)	Administrator	Planning	Direct O&M Support	Construction
Systems Out of Compliance or At-Risk	\$2.4/ (\$5)		\$15.5/ (\$5)	\$0/ (\$3)	\$1.4/ (\$5)	\$3.9/ (\$5)
Other Systems	\$1.4	\$78/ (\$70)	\$0	\$0	\$0.2	\$0.8
State Smalls/ Domestic Wells	\$13.6/ (\$13.3)		\$0	\$0	\$0	\$0/ (\$5)
Reserved for Needs Prior to FY 2023-24 FEP	\$46.2	\$0	\$0	\$0	\$0	\$0
SUBTOTAL BY SOLUTION TYPE	\$17.4/ (\$18.3)	\$17.4/ (\$18.3)	\$15.5/ (\$5)	\$0/ (\$3)	\$1.6/ (\$5)	\$4.7/ (\$10)
					TOTAL	\$117.2 (\$111.3)
Other Program Needs (Reserved)	Pilot Projects	Contracts	Staff Costs			
	\$0/ (\$3.2)	\$0/ (\$1.5)	\$14/ (\$14)			
GRAND TOTAL						\$177.4

DRAFT CONCEPTS FOR FY 2023-24 FEP

Key draft concepts for the FY 2023-24 FEP include the following:

- Continued promotion of opportunities for regional planning.
- Continued emphasis on construction projects to provide long-term solutions, especially consolidations.
- Significantly increase the number of systems receiving Administrator support (estimate at least 15 additional systems by end of FY 2023-24).
- Development of streamlined approach to provide direct O&M assistance to public water systems with high water rates.
- Continued funding for emergency and urgent drinking water needs for public water systems working on long-term solutions.

- Promotion of county-wide and regional programs for communities served by state small water systems and domestic wells considered to be at risk of contamination and/or impacted by drought.
- More robust metrics.

FY 2023-24 SADW FUND TARGETS

Table 5 below shows proposed SADW funding targets for discussion by system type on the left and solution type across the top. A balance of \$46.2 million (as of March 31, 2023) is uncommitted from prior FYs and accounted for in this table towards any emergency or urgent drinking water needs that may come up prior to the new FEP's adoption.

Table 5. FY 2023-24 SADW Fund Target Allocations (in millions)

Water System Category	Interim Water Supplies and Emergencies	Technical Assistance (includes Planning)	Administrator	Planning	Direct O&M Support	Construction
Systems Out of Compliance or At-Risk, or Consolidations	\$5	\$15	\$30	\$3	\$20	\$20
State Smalls/ Domestic Wells	\$10.5		\$0	\$0	\$0	\$10
Uncommitted from Prior FYs	\$46.2	\$0	\$0	\$0	\$0	\$0
SUBTOTAL BY SOLUTION TYPE	\$15.5 (\$61.7)	\$15	\$30	\$3	\$20	\$30
TOTAL					PROJECT TOTAL	\$113.5 (\$159.7)
Other Program Needs (Reserved)	Pilot Projects	Contracts	Staff Costs			
	\$0	\$1.5	\$15			
					GRAND TOTAL	\$130 (\$176.2)

DISCUSSION QUESTIONS

1. Based on what you've learned from the 2023 Needs Assessment, what priorities for funding need to be changed for this year?
2. What water system categories or solution types should we increase or reduce funding?
3. Regarding the O&M funding proposal, should there be a difference in priority of Failing vs. At-Risk, or Potentially At-Risk status? If so, why? Are there other opportunities to strengthen the guidelines for O&M funding proposals?

Discussion #4: SAFER Website Revamp

OVERVIEW

During the February 2023 Advisory Group Onboarding, AG Members provided their feedback on the SAFER website. Their recommendations were to modernize the website and simplify the content to create a user-friendly platform.

Homepage Update

Phase one of the website update involves updating the homepage. As the first page visitors see when accessing the website, the homepage should be simple to navigate for different user types, allowing them to quickly locate the information they're searching for.

The proposed structure for the updated homepage is as follows:

- **Introduction:** A few words about the SAFER Program.
- **What's new:** SAFER Program Highlights
 - Announcements
 - Upcoming events
 - Calendar of events
- **Buttons:** six main categories of interest which direct users from the home page to other pages depending upon the specific information they are searching for.
 1. Learn About Your Drinking Water
Is your drinking water safe? Explore interactive maps and community water systems data.
 2. Request Help and Funding
Request drinking water funding, technical assistance, or other support.
 3. Explore Community Solutions
Learn about drinking water solutions and community partnerships.
 4. Advisory Group
Meet the Advisory Group and attend a meeting.
 5. Accomplishments
Learn about completed drinking water projects and program successes.
 6. Policies and Documents
Access program policies, plans, studies, and other guiding materials.
- **Popular Topics:** Links to the most researched topics.
- **SAFER Background:** Information about the SAFER program with guiding legislation, purpose, roles, and responsibilities.
- **Stay Informed:** Invitation to sign up for emails and to participate in SAFER activities.
- **Language Access Services:** Link to language request form for the public.

SAFER DRINKING WATER

SAFE AND AFFORDABLE FUNDING FOR EQUITY AND RESILIENCE

Home | Drinking Water | Programs | Safer Dev

SAFER uses data collection and analysis, funding, regulatory authorities, outreach and engagement, technical assistance, and multi-agency and stakeholder coordination to advance the principle of the Human Right to Water and alleviate the disproportionate environmental burdens experienced by some communities.

What's New

Announcements

- None at this time

Upcoming Events

- Calendar of Events



Learn About Your Drinking Water

Is your drinking water safe? Explore interactive maps and community water systems data.

[Learn More](#)



Request Help and Funding

Request drinking water funding, technical assistance, or other support.

[Learn More](#)



Explore Community Solutions

Learn about drinking water solutions and community partnerships.

[Learn More](#)



Advisory Group

Meet the Advisory Group and attend a meeting.

[Learn More](#)



Accomplishments

Learn about completed drinking water projects and program successes.

[Learn More](#)



Policies and Documents

Access program policies, plans, studies, and other guiding materials.

[Learn More](#)

About SAFER

- Background [▶](#)
- Purpose [▶](#)
- How SAFER Works [▶](#)

Popular Topics

- Calendar of Events
- SAFER Work Plan 2023-25
- Become a Community Partner
- Fund Expenditure Plan for Fiscal Year 2021-22 English | Spanish
- Needs Assessment 2023
- Racial Equity Action Plan

Stay informed

Email Subscription Topic

To receive updates on the SAFER Program, subscribe to the SAFER Drinking Water email topic.

✉ **Email Address**

[Submit](#)

Contact Us

- Email: SAFER@waterboards.ca.gov
- Phone: (916) 445-5615

Language Access Services

The Office of Public Participation provides interpretation and translation services in any language at no cost to you.

- Language interpretation services for public meetings, workshops, and individual meetings with staff.
- Written translation of documents such as meeting flyers, public notices, fact sheets, executive summaries, and more.
- Support for a language access complaint if a Water Boards program did not provide or denied language services.

To request these services, click on the button below to open the language access form.

The form is available in English, Español (Spanish), Tagalog, 中文 (Simplified Chinese), 한국어 (Korean), Tiếng Việt (Vietnamese), ਪੰਜਾਬੀ (Punjabi).

[Request Language Services](#)

Advisory Group Members Input

During the meeting, Advisory Group members will be asked to provide input on the overall look, feel and user-experience of the website. Also, members will be participating in an activity and group discussion to capture input on the homepage's Call-Out Boxes, which will highlight the main six categories that users are looking for when they initially access the website.

DISCUSSION QUESTIONS

1. Do the buttons proposed make sense and accurately capture the six main categories of information that visitors will be looking for?
2. Are there overall features that would improve the website, such as better use of graphics or plain language?
3. Which SAFER related webpages or topics should be prioritized first for updating?

SAFER Advisory Group Updates

This document provides a written update for Advisory Group members on topics related to the SAFER program. There will not be a facilitated discussion on the topics below.

SAFER: 2023 DRINKING WATER NEEDS ASSESSMENT

The State Water Resources Control Board held a public webinar to provide an opportunity for stakeholders to review and discuss the results of the 2023 Drinking Water Needs Assessment.

Date: Thursday, May 2, 2023

Time: 9:00 AM to 12:00 PM

Meeting Materials: [available online](#)

SAFER ADMINISTRATOR POLICY HANDBOOK WORKSHOP

The State Water Resources Control Board will hold a public webinar workshop to provide an opportunity for stakeholders to contribute towards the enhancement of the Administrator Policy Handbook. The Administrator Policy Handbook provides standards, terms, and procedures that apply to the selection and duties of appointed administrators for designated water systems, as required by Health and Safety Code section 116686.

Date: Wednesday, June 14, 2023

Time: 9:00 to 11:00 AM

Meeting Materials: [available online](#)

SAFER TIMELINE

The following are tentative dates for SAFER related events:

2023	Topic
May 2	Release of Needs Assessment
May 2	Needs Assessment Webinar
May 24	SAFER Advisory Group Meeting #2
June 14	Administrator Policy Handbook Workshop
June 20	Drinking Water State Revolving Fund Intended Use Plan Workshop
July TBD	O&M Funding Workshop
July 18	Board considers adoption of Drinking Water State Revolving Fund Intended Use Plan
July 31	Release of Draft FEP

Aug. 1	Advisory Group member application period opens
Aug. 16	Fund Expenditure Plan Workshop
Aug. 24	Advisory Group #3
Aug. 30	Advisory Group member application workshop
Sept. 30	Advisory Group member application period closes
Oct. 3	Board considers adoption of FY 2023/24 Fund Expenditure Plan
Dec. 7	SAFER Advisory Group Meeting #4
Dec. TBD	New Advisory Group members appointed

2023 Legislation Related to the SAFER Program

The following is a summary of California bills currently moving through the Legislature that may either directly impact the SAFER Program, or that may otherwise impact other SAFER-related programs or policies. These bills would impact the State Water Board's future work. This list is current as of April 4, 2023.

ADMINISTRATIVE

[AB 1495 \(Stephanie Nguyen\)](#) Office of Tribal Affairs.

This bill would establish an Office of Tribal Affairs in the Governor's office, which would be headed by the Secretary of the Office of Tribal Affairs. The Office would manage the state's tribal programs and would help tribes connect with state officers' tribal leads. The bill would also establish:

- A Deputy of Tribal Affairs in every state agency and in every constitutional office.
- A Tribal Advisor in every state agency executive office.

DRINKING WATER

[SB 3 \(Dodd\)](#) Discontinuation of residential water service: community water system.

The Water Shutoff Protection Act ([SB 998, Dodd](#); Chapter 891, Statutes of 2018) currently requires public water systems with more than 200 service connections to take certain actions related to the discontinuation of water service due to nonpayment, including:

- Adopting a written policy on discontinuation.
- Posting that policy on their website.
- Waiting at least 60 days before shutting off a customer's water.
- Following certain procedures, such as advanced notice, offering an appeals process, and arranging means of alternate payments.
- Refraining from shutting off water in certain circumstances.

This bill would expand these requirements to water systems with fewer than 200 service connections.

[SB 28 \(Glazer\)](#) Education finance: school facilities: Public Preschool, K-12, and College Health and Safety Bond Act of 2024.

This bill would put before the voters the Public Preschool, K-12, and College Health and Safety Bond Act of 2024 ('Bond Act'). Among other things, the Bond Act would allocate \$150 million to help address lead in school drinking water. Schools built before January 1, 2010, would be able to apply:

- To the State Allocation Board for grants to test water outlets for lead; and
- For subsequent grants to replace water outlets if test results show lead levels above 15 parts per billion.

[SB 57 \(Gonzalez\)](#) Utilities: disconnection of residential service.

This bill would require certain utilities, including water corporations and local agencies that own public water systems, to postpone service disconnections for delinquent accounts within 24 hours of the temperature being either below 32, or above 95 degrees Fahrenheit.

Utilities would be required to notify their residential ratepayers of that requirement and, if they have an internet website, to create an online tool for reporting illegal disconnections. The State Water Resources Control Board would be authorized to enforce these requirements against those water systems.

AB 249 (Holden) Water: school sites: lead testing: conservation.

This bill would require community water systems that serve school sites with buildings constructed before January 1, 2010, to test for lead at each of those school sites' potable water system outlets, on or before January 1, 2027. Local educational agencies and schools must take certain action if lead levels exceed 5 parts per billion, such as notifying parents and guardians, shutting down affected faucets and outlets, and ensuring the availability of a potable source of drinking water.

Additionally, this bill would make two appropriations:

- \$10 million each fiscal year from 2024 to 2027, from funds received from the Bipartisan Infrastructure Law, to pay for drinking water testing, drinking water filters, and school personnel training at school sites subject to this bill's testing requirements.
- \$5 million each fiscal year from 2024 to 2027, from its Drinking Water State Revolving Fund federal allocation, to pay for water efficient faucet and fixture replacements at those same school sites.

AB 541 (Wood) California Safe Drinking Water Act: wildfire aftermath: benzene testing.

This bill would direct the State Water Board to require a public water system, water corporation, or water district to test their drinking water for benzene immediately following a major wildfire event in their service territory.

AB 664 (Lee) California Safe Drinking Water Act: domestic wells.

This bill would require that property owners who do not consent to participate in a consolidation or extension of service ordered by the State Water Board must ensure that tenants of rental properties served solely by domestic wells have access to safe drinking water until consent for consolidation is provided.

AB 805 (Arambula) Drinking water consolidation: sewer service.

This bill would authorize the State Water Board, if sufficient funds are available, to order consolidation of sewer service along with a consolidation order for drinking water systems when both the receiving and subsumed water systems provide sewer service. Before ordering a sewer service consolidation, the State Water Board would need to:

- Consult with the relevant regional water quality control board.
- Consult with the receiving water system.
- Conduct outreach to ratepayers and residents, including community groups.

Finally, this bill would authorize the State Water Board to require an appointed administrator, in addition to providing technical, managerial, and financial (TMF) assistance to a designated water system's drinking water service, to also provide TMF assistance to any sewer service provided by that designated water system.

BONDS/FUNDING/FINANCIAL ASSISTANCE

SB 336 (Umberg) State grant programs: negotiated cost rate agreements.

This bill would require, to the extent authorized by state and federal law, state agencies to enter into an agreement to reimburse direct and indirect costs of nonprofits that administer state grant programs. The bill would require the Department of General Services to establish a process by which nonprofits may negotiate a state standard negotiated cost agreement for grants that are awarded on or after October 1, 2024.

AB 590 (Hart) State-funded assistance grants and contracts: advance payments.

The bill would authorize an administering state agency to provide advance payment to an eligible recipient entity, with a priority for recipient entities and projects serving disadvantaged, low-income, and under-resourced communities.

AB 619 (Vince Fong) State government: emergency services: nonprofit service providers.

This bill would authorize a nonprofit entity that provides services pursuant to a contract with a state agency to request that the state agency allow the nonprofit to modify how it provides those services during a state emergency. Additionally, if a state of emergency is not declared but a disruption still occurs, this bill would allow a nonprofit entity to request flexibility in how it carries out its contract.

AB 682 (Mathis) State Water Resources Control Board: online search tool: funding applications.

This bill would require the State Water Board to update its online search tool for funding applications to include the following information:

- A description of the additional information the board requires from a water system to continue processing the water system's application.
- The date the board requested the water system to provide additional information.
- The cause of any prolonged delays in the application process.
- A description of the typical steps that must be completed before a funding agreement can be executed after receipt of a complete application.

AB 838 (Connolly) California Water Affordability and Infrastructure Transparency Act of 2023

Beginning January 1, 2025, this bill would require public water systems to report information about customer billing and planned infrastructure improvements to the State Water Board. Such report would include:

- Information related to the average water bill paid by customers, such as the median dollar and total dollar amounts billed to customers the previous calendar year.
- Information and data related to completed and planned efforts to replace aging infrastructure, including the total cost of infrastructure improvements in the prior calendar year, and the percentage of water mains replaced in the prior calendar year.

AB 885 (Luz Rivas) Public contracts: nonprofit organizations.

This bill would establish the California Nonprofit Fairness in Contracting Act. Among other things, this Act would require the following:

- Establishing a preference for contracts that last longer than one year for state and local agencies who contract with nonprofit organizations.
- Including automatic cost of business increases for contracts that last longer than one year.
- Renewing a contract with a nonprofit organization that is meeting the performance objectives identified in the contract with state or local agencies.

The bill would also include employee compensation requirements for contractors.

[AB 1211 \(Mathis\)](#) Safe Drinking Water State Revolving Fund: internet website information: updates.

This bill would require the State Water Board to post updates regarding implementation of the Safe Drinking Water State Revolving Fund Law and expenditures from the Safe Drinking Water State Revolving Fund at least annually, rather than once every two years.

[AB 1567 \(Garcia\)](#) Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2023.

This bill would enact the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2023, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$15,105,000,000 to finance projects for safe drinking water, wildfire prevention, drought preparation, flood protection, extreme heat mitigation, and workforce development programs.

WATER QUALITY

[AB 753 \(Papan\)](#) State Water Pollution Cleanup and Abatement Account: annual proceed transfers.

This bill would create the “Waterway Recovery Account” within the Waste Discharge Permit Fund. Funds from the account would be used, among other things, to create and fund a community capacity program to increase disadvantaged and tribal community participation in state board and regional board outreach and regulatory processes.

[AB 1115 \(Papan\)](#) Barry Keene Underground Storage Tank Cleanup Trust Fund Act of 1989: brownfields remediation and redevelopment.

Existing law establishes the Barry Keene Underground Storage Tank Cleanup Trust Fund Act of 1989 (the Act), which requires owners of underground storage tanks to pay fees into the Underground Storage Tank Cleanup Fund. The Act authorizes the State Water Board to use those funds to pay for cleanup and remediation activities related to unauthorized releases from underground storage tanks. Existing law sunsets key provisions of the Act on January 1, 2026.

This bill would extend the sunset date on the Underground Storage Tank Cleanup Fund, and its associated subaccounts and programs, through January 1, 2036.

WATER RIGHTS

[SB 389 \(Allen\)](#) State Water Resources Control Board: determination of water right.

This bill would authorize the State Water Board to investigate the diversion and use of water from a stream system to determine its basis of right (such as whether it's an appropriative water right, a riparian water right, or another type of water right). The State Board may issue a decision or order after the opportunity for a hearing in which the claimant shall have the burden of proving their claim by a preponderance of evidence.

AB 460 (Bauer-Kahan) State Water Resources Control Board: interim relief.

This bill would authorize the State Water Board to issue an interim relief order to implement or enforce certain water-related state policies, including the reasonable and beneficial use of water, the public trust doctrine, water quality objectives or principals and guidelines, sufficient water flows through dams, and other specified provisions.

This bill would also authorize the State Water Board to obtain inspection warrants, adjust State Water Board civil liabilities due to inflation, require plaintiffs to exhaust their administrative remedies before suing the State Water Board in court, and increase other water rights-related civil penalties.

AB 676 (Bennett) Water: general state policy.

State law currently provides that the use of water for domestic purposes is the highest use of water in the state. This bill would provide additional specifics as to what types of uses would qualify as domestic, such as the following:

- Sustenance of human beings and household conveniences
- Care of household livestock and animals
- Care of household gardens
- Deliveries of water by community water systems, other public, municipal, and industrial water agencies, and water corporations regulated by the Public Utilities Commission.

AB 1337 (Wicks) State Water Resources Control Board: water shortage enforcement.

This bill would authorize the State Water Board to adopt regulations for any of the following purposes:

- To prevent the waste or unreasonable use of water.
- To promote water recycling or water conservation.
- To protect public trust resources.
- To require curtailment of diversions when water is not available under the diverter's priority of right.

The board would be authorized to implement these regulations through orders curtailing the diversion or use of water under a water right. Persons who violate such orders would be subject to civil penalties. Finally, a regulation or order issued pursuant to this bill or under emergency drought regulations would be exempt from the California Environmental Quality Act.