



# Water Rights Fees Stakeholder Meeting

Friday, June 12, 2026, at 1:00 pm – 3:00 pm

Webcast and Zoom Meeting Only

Live Webcast: <https://video.calepa.ca.gov/>

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## **AGENDA**

1. Welcome and Introductions
2. Water Rights Fund (WRF) Budget Cost Drivers (Attachment 1)
  - a. [FY 2026-27 Budget Change Proposal – California Environmental Protection Agency \(CalEPA\) Consolidated Administration](#)
3. WRF Fund Condition (Attachment 2)
4. Sustainable Groundwater Management Act (SGMA)
5. Open Discussion
6. Next Meeting: July 30, 2026

**Water Rights Fund  
Budget Cost Drivers  
FY 2026-27  
(\$000)**

	<b>FY 2025-26 Fee Setting Budget</b>	<b>FY 2026-27 Governor's May Revise Fee Setting Budget<sup>1</sup></b>	<b>Net Difference</b>	<b>Percent Change</b>
<b>Water Rights Fund (3058)</b>				
Budget Allocation	\$38,318	\$39,101	\$783	2.0%

<b>FY 2026-27 Budget Cost Drivers</b>	<b>Amount</b>	<b>Percent Change</b>
State Operations <sup>2</sup>	\$744	1.9%
CDTFA	\$10	0.0%
FY 2026-27 CalEPA Consolidated Administration BCP	\$65	0.2%
Section 4.05 Government Efficiencies Reductions	(\$110)	-0.3%
Section 4.12 Vacancy Savings and Position Elimination Adjustments	(\$441)	-1.2%
Pro Rata	\$515	1.3%
<b>Totals</b>	<b>\$783</b>	<b>2.0%</b>

<sup>1</sup>The FY 2026-27 Governor's May Revise Budget includes a \$5,472,000 loan, second installment from the USTCF to the WRF to support the continued implementation of the Sustainable Groundwater Management Act. This amount is not included in the May Revise Fee Setting Budget.

<sup>2</sup>Control Section Item 9800 Employee Compensation, 3.60 Retirement and Healthcare Cost.

**Water Rights Fund  
Fund Condition (\$000)**

	Actual FY 24-25	FY 25-26 (Forecast)	FY 26-27 No Fee Changes (Forecast)	FY 26-27 With Fee Changes Scenario A (Forecast)	FY 26-27 With Fee Changes Scenario B (Forecast)
<b>BEGINNING BALANCE</b>	\$12,927	\$12,534	\$14,325	\$14,325	\$14,325
Prior year adjustments	\$1,631	\$0	\$0	\$0	\$0
Adjusted Beginning Balance	<b>\$14,558</b>	<b>\$12,534</b>	<b>\$14,325</b>	<b>\$14,325</b>	<b>\$14,325</b>
<b>Revenue</b>					
Regulatory Fees <sup>1</sup>	\$33,169	\$32,453	\$32,453	\$34,076	\$37,654
Cost Recovery <sup>2</sup>	\$47	\$1,000	\$1,000	\$1,000	\$1,000
Other Revenue <sup>3</sup>	\$1,460	\$1,455	\$1,455	\$1,455	\$1,455
Operating Transfers from Fund 0439 per EO E 23/24-85	\$15,000	\$0	\$0	\$0	\$0
Operating Transfers to Fund 0439 per EO E 23/24-183R	(\$15,000)	\$0	\$0	\$0	\$0
<b>Total Revenue</b>	<b>\$34,676</b>	<b>\$34,908</b>	<b>\$34,908</b>	<b>\$36,531</b>	<b>\$40,109</b>
<b>Expenditures</b>					
Water Board State Operations	\$33,739	\$29,691	\$36,129	\$36,129	\$36,129
Cost Recovery Expenditures <sup>2</sup>	\$0	\$1,000	\$1,000	\$1,000	\$1,000
Other State Operations <sup>4</sup>	\$2,961	\$2,426	\$2,972	\$2,972	\$2,972
<b>Total Expenditures</b>	<b>\$36,700</b>	<b>\$33,117</b>	<b>\$40,101</b>	<b>\$40,101</b>	<b>\$40,101</b>
Surplus/(Deficit)	(\$2,024)	\$1,791	(\$5,193)	(\$3,570)	\$8
<b>ENDING BALANCE</b>	<b>\$12,534</b>	<b>\$14,325</b>	<b>\$9,132</b>	<b>\$10,755</b>	<b>\$14,333</b>
<b>Fund Reserve</b>	<b>34.2%</b>	<b>44.6%</b>	<b>23.4%</b>	<b>27.5%</b>	<b>36.7%</b>
<b>Application Filing Revenue Set Aside<sup>5</sup></b>	<b>(\$2,000)</b>	<b>(\$2,000)</b>	<b>(\$2,000)</b>	<b>(\$2,000)</b>	<b>(\$2,000)</b>
<b>Adjusted Ending Balance</b>	<b>\$10,534</b>	<b>\$12,325</b>	<b>\$7,132</b>	<b>\$8,755</b>	<b>\$12,333</b>
<b>SGMA Revenue and Expenditures<sup>6</sup></b>					
Loan from the Underground Storage Tank Cleanup Fund (0439) to the Water Rights Fund (3058) per Item 3940-011-0439, Budget Act of 2025	\$0	\$5,472	\$5,472	\$5,472	\$5,472
Expenditures	\$0	\$5,472	\$5,472	\$5,472	\$5,472

<sup>1</sup> Forecasted revenue is based on estimated billing amounts for applications, annual fees for license/permit/pending applications and estimated revenue from petitions and one-time applications.

<sup>2</sup> Ongoing cost recovery for the California Environmental Quality Act (CEQA) Consultation.

<sup>3</sup> Includes miscellaneous services to the public, Surplus Money Investment Fund (SMIF) & Enforcement, and F&P revenue.

<sup>4</sup> Includes expenditures to CDTFA, CalEPA, Supplemental Pension Payments (expired FY 24-25) and Pro Rata.

<sup>5</sup> Potential refund revenue per California Code of Regulations, title 23 section 1062, subdivision (c).

<sup>6</sup> The SGMA revenue and expenditures are not part of the WRF fee setting process.