



Water Quality Fees Stakeholder Meeting

Thursday, July 30, 2026 at 9:00 am – 11:00 am

Webcast and Zoom Meeting Only

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

E-mail: FeeBranch@waterboards.ca.gov

AGENDA

1. Welcome and Introductions
2. Waste Discharge Permit Fund (WDPF) Budget Cost Drivers (Attachment 1)
 - a. [FY 2026-27 Budget Change Proposal – Border Water Quality Protection Unit](#)
 - b. [FY 2026-27 Budget Change Proposal – California Environmental Protection Agency \(CalEPA\) Consolidated Administration](#)
 - c. [FY 2026-27 Budget Change Proposal – Fresno Office Relocation](#)
 - d. [FY 2026-27 Budget Change Proposal – Landfill Support, Response and Enforcement](#)
 - e. [FY 2026-27 Budget Change Proposal – Permitting Impacts of Recent Supreme Court Decisions \(Sackett\)](#)
 - f. [FY 2026-27 Budget Change Proposal – Recycled Water Program Needs \(SB31\)](#)
3. WDPF Program Budget Detail (Attachment 2)
4. WDPF Fund Condition Statement (Attachment 3)
5. Potential Fee Structure Changes
 - a. Water Quality Certification (Attachment 4)
 - b. Cannabis Cultivation
6. Open Discussion
7. Board Adoption Meeting: September 15, 2026

**Waste Discharge Permit Fund
Budget Cost Drivers
FY 2026-27
(\$000)**

Waste Discharge Permit Fund (0193)	FY 2025-26 Fee Setting Budget	FY 2026-27 Governor's Enacted Fee Setting Budget	Net Difference	Percent Change
Budget Allocation	\$196,897	\$199,627	\$2,730	1.4%

FY 2026-27 Budget Cost Drivers	Programs	Amounts	Percent Change
State Operations ¹	All Programs	\$2,050	1.0%
FY 2026-27 Border Water Quality Protection Unit BCP	All Programs	\$1,015	0.5%
FY 2026-27 CalEPA Consolidated Administration BCP	All Programs	\$328	0.2%
FY 2026-27 Landfill Support, Response, and Enforcement BCP	Land Disposal	\$463	0.2%
FY 2026-27 Permitting Impacts of Recent Supreme Court Decisions BCP (Sackett)	Water Quality Certification Waste Discharge Requirements Stormwater	\$2,559	1.3%
FY 2026-27 Recycled Water Program Needs (SB 31) BCP	Waste Discharge Requirements NPDES Wastewater	\$1,008	0.5%
FY 2026-27 Fresno Office Relocation BCP	All Programs	\$4,513	2.3%
Section 4.05 Government Efficiencies Reductions	All Programs	(\$4,274)	-2.2%
Section 4.12 Vacancy Savings and Position Elimination Adjustment	All Programs	(\$5,106)	-2.6%
Pro Rata	All Programs	\$174	0.1%
Totals		\$2,730	1.4%

¹Control Section Item 9800 Employee Compensation, 3.60 Retirement and Healthcare Cost.

**Waste Discharge Permit Fund
Program Budget Detail
FY 2026-27
(\$000)**

A	B	C	D (B-C)	E
WDPF Program	FY 26-27 Projected Fee Setting Budget ¹	FY 26-27 Revenue Forecast	Forecasted Revenue Increase / (Decrease)	Percent Fee Change
WDR	\$49,488	\$47,893	\$1,595	3.3%
Land Disposal	\$15,885	\$15,716	\$169	1.1%
WQC (401 Cert)	\$24,798	\$23,450	\$1,348	5.7%
NPDES Stormwater	\$43,628	\$43,935	(\$307)	-0.7%
NPDES Wastewater	\$45,873	\$45,323	\$551	1.2%
CAF	\$6,599	\$6,516	\$83	1.3%
Ag Lands (ILRP)	\$9,687	\$9,565	\$122	1.3%
Cannabis	\$3,669	\$2,867	\$802	28.0%
TOTAL:	\$199,627	\$195,264	\$4,363	

¹Includes redirected expenditures for foundational programs like Basin Planning, TMDL, monitoring, enforcement, employee compensation, retirement, healthcare costs and pro rata.

**Waste Discharge Permit Fund
Fund Condition
(\$000)**

	Actual FY 24-25	FY 25-26 (Forecast)	FY 26-27 No Fee Changes Except for Cannabis Scenario A (Forecast)	FY 26-27 With Fee Changes for All Programs Except Stormwater Scenario B (Forecast)
FEE PROGRAM				2%
Beginning Balance	\$22,723	\$48,058	\$55,610	\$55,610
Prior Year Adjustments ¹	(\$1,671)	\$0	\$0	\$0
Adjusted Beginning Balance	\$21,052	\$48,058	\$55,610	\$55,610
Revenue				
Regulatory Fees	\$197,516	\$195,264	\$196,066	\$198,682
Other ²	\$4,464	\$4,600	\$1,000	\$1,000
Total Fee Program Revenue	\$201,980	\$199,864	\$197,066	\$199,682
Expenditures				
Water Board State Operations	\$160,708	\$181,234	\$188,003	\$188,003
Local Assistance ³	\$1,800	\$1,800	\$1,800	\$1,800
Other State Operations ⁴	\$12,466	\$9,278	\$9,824	\$9,824
Total Fee Program Expenditures	\$174,974	\$192,312	\$199,627	\$199,627
GAIN/ (LOSS)	\$27,006	\$7,552	(\$2,561)	\$55
Fee Program Ending Balance	\$48,058	\$55,610	\$53,050	\$55,665
FUND RESERVE	27.5%	28.9%	26.6%	27.9%
Fines & Penalties⁵				
Fines and Penalties Revenue	\$4,367	\$4,872	\$4,752	\$4,752
Fines and Penalties Expenditures	\$395	\$1,020	\$1,020	\$1,020
Fines & Penalties Ending Balance	\$3,972	\$3,852	\$3,732	\$3,732
WDPF FUND BALANCE	\$52,030	\$59,462	\$56,782	\$59,397

¹ Most adjustments represent unspent contract dollars that revert to the fund and/or prior year encumbrance adjustments.

² Includes interest from the state's pooled money investment fund and escheat from unclaimed checks.

³ Local Assistance for Beach Monitoring

⁴ Includes appropriations for Cal/EPA, FI\$CAL, Pro Rata, and Supplemental Pension Payments (expired FY 24-25).

⁵ Fines & Penalties revenue and expenditures cannot be accessed by the fee programs and therefore are not included in the fee balances. The revenue balance is included in the WDPF fund balance for accounting purposes only.

Water Quality Certification Program Proposed Fee Structure Changes

Draft Fee Methodology Schedule Mock-Up

Tables 1 and 2 provide fee calculator mockups and tier breakdowns to illustrate the revised methodology and facilitate project fee estimation.

Table 1: A points calculator mockup showing the proposed fee factors, criteria, and point values.

Points Calculator

Fee Factor	Do these criteria apply to your project?	Check if Yes	Points
Temporary Impacts	Up to 0.1 acre	☐	0
	Greater than 0.1 acre	☐	1
Permanent Impacts	No Permanent Impacts	☐	0
	Less than 0.01 acre	☐	1
	Greater than 0.01 and up to 0.2 acres	☐	2
	Greater than 0.2 acres	☐	4
Permit Type	Qualifies for enrollment in a General Order	☐	0
	Waiver	☐	0
	Individual Certification	☐	2
	Individual WDR	☐	5
Alternatives Analysis	None	☐	0
	Tier 1 Alternatives Analysis	☐	0
	Tier 2 Alternatives Analysis	☐	1
	Tier 3 Alternatives Analysis	☐	2
		Total Points:	

Table 2: Point totals determine the fee tier, based on values from Table 1.

Fee Tier Determination

Fee Tiers:	(1) Baseline	(2) Minimal	(3) Moderate	(4) Significant	(5) Major
Point Ranges:	0	1-2	3-4	5-6	≥ 7

Fee Calculation

Using the factors in Table 1, the fee tier is determined using the point ranges in Table 2. The fee tier is then weighted by total impact size to determine the final fee amount up to a maximum fee.

Here is the structure of the proposed fee calculations with placeholder dollar amounts:

Fee Tier	Fee Calculation	Annual Fee
1 Baseline <i>(0 point)</i>	\$2,500 (Flat fee)	For All Fee Tiers: Projects less than or equal to 0.10 acre: \$563 annually Greater than 0.10 acre: \$3,540 annually for the first 5 years, then \$563 thereafter
2 Minimal <i>(1-2 Points)</i>	Total Impact Acres * \$23,000	
3 Moderate <i>(3-4 Points)</i>	Total Impact Acres * \$23,000 * 1.25	
4 Significant <i>(5-6 Points)</i>	Total Impact Acres * \$23,000 * 1.5	
5 Major <i>(7 or more Points)</i>	Total Impact Acres * \$23,000 * 2	

The annual fee would operate similarly to the current one, with low impact discharge projects receiving a reduced fee.

The fee amounts provided are illustrative estimates for each tier and are subject to change. Final amounts will be updated following adoption of the State Budget Act and presented to the State Water Board for proposed adoption in the Fee Schedule.