

Drinking Water & ELAP Fees Stakeholder Meeting



Friday, July 31, 2026 at 9:00am – 11:00am

Webcast and Zoom Meeting Only

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

E-mail: DAS-DrinkingWaterFees@waterboards.ca.gov

AGENDA

1. Welcome and Introductions
2. Safe Drinking Water Account (SDWA) Budget Cost Drivers (Attachment #1)
 - a. [FY 2026-27 Budget Change Proposal - Contra Costa and Kings Counties Local Primacy Agency Delegation Agreement Termination](#)
 - b. [FY 2026-27 Budget Change Proposal - CalEPA Consolidated Administration](#)
 - c. [FY 2026-27 Budget Change Proposal - Recycled Water Program Needs \(SB 31\)](#)
 - d. [FY 2026-27 Budget Change Proposal - San Diego County Water Recycling Oversight](#)
 - e. [FY 2026-27 Budget Change Proposal - School Lead Reporting \(AB 1096\)](#)
 - f. [FY 2026-27 Budget Change Proposal - Fresno Office Relocation](#)
3. SDWA Fund Condition Statement (Attachment #2)
4. Potential Drinking Water Fee Changes
 - a. Disadvantaged Community
5. Environmental Laboratory Improvement Fund (ELIF) Budget Cost Drivers (Attachment #3)
 - a. [FY 2026-27 Budget Change Proposal - California Environmental Regulatory Data Security Initiative](#)
6. ELIF Fund Condition Statement (Attachment #4)
7. Potential ELAP Fee Changes
 - a. Full TNI Accreditation Expansion Option
8. Open Discussion
9. Board Meeting: September 15, 2026

**Safe Drinking Water Account
Budget Cost Drivers
FY 2026-27
(\$000)**

	FY 2025-26 Fee Setting Budget	FY 2026-27 Governor's Enacted Fee Setting Budget	Net Difference	Percent Change
Safe Drinking Water Account (0306)				
Budget Allocation	\$51,186	\$54,784	\$3,598	7.0%

FY 2026-27 Budget Cost Drivers	Amount	Percent Change
State Operations ¹	\$873	1.7%
FY 25-26 Technical, Managerial, and Financial Standards (SB 1188) BCP	(\$250)	(0.5%)
FY 26-27 Contra Costa and Kings Counties Local Primacy Agency Delegation Agreement Termination BCP	\$952	1.9%
FY 26-27 CalEPA Consolidated Administration BCP	\$86	0.2%
FY 26-27 Recycled Water Program Needs (SB 31) BCP	\$492	1.0%
FY 26-27 San Diego County Water Recycling Oversight BCP	\$785	1.5%
FY 26-27 School Lead Reporting (AB 1096) BCP	\$500	1.0%
FY 26-27 Fresno Office Relocation BCP	\$2,285	4.5%
Section 4.05 Government Efficiencies Reductions	(\$2,007)	(3.9%)
Pro Rata	(\$118)	(0.2%)
Totals	\$3,598	7.0%

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

Safe Drinking Water Account Fund Condition Statement (\$000)

	FY 2024-25 (Actual)	FY 2025-26 (Forecast)	FY 2026-27 No Fee Changes (Forecast)	FY 2026-27 With Fee Changes Scenario A (Forecast)	FY 2026-27 With Fee Changes Scenario B (Forecast)
-				9.5%	16.6%
BEGINNING BALANCE	\$5,364	\$15,686	\$17,461	\$17,461	\$17,461
Prior Year Adjustments	\$318	\$0	\$0	\$0	\$0
Adjusted Beginning Balance	\$5,682	\$15,686	\$17,461	\$17,461	\$17,461
Revenue					
Regulatory Fees ¹	\$47,240	\$48,068	\$46,068	\$50,444	\$53,715
Other Revenue ²	\$914	\$1,088	\$1,088	\$1,088	\$1,088
Delinquent Fees	\$45	\$0	\$0	\$0	\$0
Penalty Assessments-Citations	\$54	\$0	\$0	\$0	\$0
Adjustments:					
Total Revenue	\$48,253	\$49,156	\$47,156	\$51,532	\$54,803
Expenditures					
Water Board State Operations	\$35,392	\$45,000	\$52,521	\$52,521	\$52,521
Other State Operations ³	\$2,857	\$2,381	\$2,263	\$2,263	\$2,263
Total Expenditures	\$38,249	\$47,381	\$54,784	\$54,784	\$54,784
Surplus (Deficit)	\$10,004	\$1,775	(\$7,628)	(\$3,252)	\$19
ENDING BALANCE	\$15,686	\$17,461	\$9,833	\$14,209	\$17,480
Fund Reserve	41.0%	36.9%	17.9%	25.9%	31.9%

¹ Forecasted revenue is based on the estimated billing amounts for annual water fees/recycled water/enforcement fees.

² Other revenue includes investment income-surplus money investments.

³ Includes appropriations for Cal/EPA, FISCAL, Pro Rata and Supplemental Pension Payments (expired FY 2024-25).

**Environmental Laboratory Improvement Fund
Budget Cost Drivers
FY 2026-27
(\$000)**

	FY 2025-26 Fee Setting Budget	FY 2026-27 Governor's Enacted Fee Setting Budget	Net Difference	Percent Change
Environmental Laboratory Improvement Fund (0179)				
Budget Allocation	\$4,615	\$5,793	\$1,178	25.5%

FY 2026-27 Budget Cost Drivers	Amount	Percent Change
State Operations ¹	\$123	2.7%
FY 26-27 California Environmental Regulatory Data Security Initiative BCP	\$1,000	21.7%
Section 4.05 Government Efficiencies Reductions	(\$18)	(0.4%)
Pro Rata	\$73	1.6%
Totals	\$1,178	25.5%

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

Environmental Laboratory Improvement Fund

Fund Condition Statement

(\$000)

	FY 2024-25 (Actual)	FY 2025-26 (Forecast)	FY 2026-27 No Fee Changes (Forecast)
BEGINNING BALANCE	\$3,480	\$5,025	\$5,012
Prior Year Adjustments	\$474	\$0	\$0
Adjusted Beginning Balance	\$3,954	\$5,025	\$5,012
Revenue			
Regulatory Fees ¹	\$4,927	\$4,455	\$4,455
Other Revenue ²	\$222	\$236	\$236
Total Revenue	\$5,149	\$4,691	\$4,691
Expenditures			
Water Board State Operations	\$3,884	\$4,533	\$5,549
Other State Operations ³	\$194	\$171	\$244
Total Expenditures	\$4,078	\$4,704	\$5,793
Surplus (Deficit)	\$1,071	(\$13)	(\$1,102)
ENDING BALANCE	\$5,025	\$5,012	\$3,910

¹ Forecasted revenue is based on the estimated annual and renewal billings and out of state lab payments.

² Other revenue includes investment income-surplus money investments and fines & penalties.

³ Includes appropriations for Cal/EPA, FISCAL, Pro Rata, and Supplemental Pension Payments (expired FY 2024-25).