



# State Water Resources Control Board

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

November 18, Meeting Materials Packet Lunch ~12:15-1:15 PM

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# Proposed SAFER Outreach and Engagement Strategy

### **Overview**

Many barriers have prevented the Safe and Affordable Funding for Equity and Resilience (SAFER) drinking water program from achieving meaningful engagement and outreach in communities where drinking water solutions are needed the most. This document provides a framework for building a SAFER Outreach and Engagement Community Partner Pool that will expand program impacts and solutions regionally.

The goal of this document is to:

- 1. Describe current SAFER program outreach barriers and opportunities
- 2. Present a proposed outreach and engagement framework
- 3. Identify the selection criteria and expectations of Regional Coordinators and Community Partners

# **Outreach Barriers & Opportunities**

#### **OUTREACH BARRIERS**

- **Administrative:** Limitations include delayed timelines due to 90-day procurement process to secure meeting venues and limitations for securing petty cash to purchase direct mailing lists.
- **Burnout:** Community members that have experienced the long-term effects of unsafe drinking water, may experience fatigue, distrust, and apathy related to new solutions being proposed.
- **Community capacity:** Lack of existing community-based organizations has made it difficult for the Water Boards to work with local groups to support SAFER program outreach. Many communities also lack physical venues for gathering that are equipped for public meetings.
- *Historical challenges:* Many communities have had negative experiences with government agencies related to abuse, mismanagement, inequitable practices, racism, and from being systematically excluded from decision making processes. These experiences have impacted trust and engagement with government agencies, including the Water Boards.
- Limited community engagement: Engagement in local drinking water solutions meetings is low due to lack of existing Water Boards relationships with communities, limited community social infrastructure, limited access to technology, and due to competing crises.
- **Project progress:** Drinking water solutions can often take several months or years to complete. Limited number of available administrators has prolonged the administrator identification process and has resulted in large gaps of communication with communities.

# OUTREACH OPPORTUNITIES

- **Understanding SAFER:** Partnering with local community groups enables a deeper level of engagement and a larger geographic reach than would be possible with agency staff, especially in areas where the State Water Board does not have existing relationships.
- **Trust:** Many communities have a long history of distrust with the government. By partnering with trusted groups and establishing a process of meaningful, consistent, two-way communication, the State Water Board can begin to slowly build and regain trust between communities.
- *Influencing drinking water solutions:* With more active dialogue and communication, the community can provide input into the decisions that affect their water. Through this

partnership, it is more likely that proposed drinking water solutions gain community support and are sustainable in the long-term.

• **Local capacity building:** Training local groups to lead workshops, educational meetings, supporting relationship building, and local knowledge sharing, leads to communities building the social capital needed to address their community needs.

### **Outreach Framework**

#### OBJECTIVES

- Increase early community engagement with the SAFER program,
- Keep local drinking water solution projects on track,
- Identify potential risks, issues, or delays,
- Build local community capacity, and
- Ensure community buy-in and a path towards equitable and resilient water governance.

#### PROCESS

**<u>Step 1</u>**: Division of Drinking Water and the Office of Public Participation prioritize identified regions and communities in need of community engagement.

**<u>Step 2</u>**: Office of Public Participation identify and select Regional Coordinators who will identify and coordinate the Community Partners in their region.

**<u>Step 3</u>**: Office of Public Participation and Regional Coordinators identify Community Partners who will develop local engagement plans for assigned communities.

**<u>Step 4</u>**: Office of Pubic Participation onboard Regional Coordinators and Community Partners. **<u>Step 5</u>**: Office of Public Participation and Regional Coordinators assign Community Partners to local community(ies) to develop a community profile and engagement strategy for each community.

**<u>Step 6</u>**: Community Partners implement outreach strategies for each community in collaboration with SAFER program staff.

**<u>Step 7</u>**: Regional Coordinators and Community Partners submit progress reports and participate in quarterly and annual check in meetings with SAFER program staff.

**<u>Step 8</u>**: Regional Coordinators and Community Partners present successes and lessons learned at the completion of a project.

# **Regional Coordinators**

Regional Coordinators identify, coordinate, and fund Community Partners in their region. Regional Coordinators are funded through the existing Technical Assistance funding agreement process and are required to meet eligibility guidelines for Technical Assistance providers.

#### SELECTION CRITERIA

- Experience working with communities with unsafe water; multilingual communities; Black, Indigenous, and communities of color; or under-resourced communities.
- Uphold values of equity, inclusion, cultural awareness, humility, and anti-racism.
- Ability to manage funding agreement and disperse funding to Community Partners via subcontracts.
- Ability to coordinate communication between Community Partners and State Water Board.
- Ability to track and report on metrics and progress of Community Partners.

• Regional Coordinators with prior experience working with communities in that region will be prioritized for that region.

### EXPECTATIONS

- Liaison between SAFER program staff and Community Partners.
- Identify Community Partners based on regional project needs.
- Develop and fund subcontracts for community partners.
- Monitor and coordinate regional community partner progress and deliverables.
- Maintain regular communication, relationships, and support for regional community partners.
- Monitor budget and submit quarterly reports to the Water Boards.
- Alert Water Board staff of regional concerns or drinking water issues.

# **Community Partners**

Community Partners are selected by the Office of Public Participation and Regional Coordinators to implement outreach and engagement activities in areas where a high number of drinking water challenges exist. Community partners may join the pool to work with one specific community or to provide outreach and engagement to several communities within a region.

# SELECTION CRITERIA

- Experience working with communities with unsafe water; multilingual communities; Black, Indigenous, and communities of color; or under-resourced communities.
- Uphold values of equity, inclusion, cultural awareness, humility, and anti-racism.
- Ability to develop multilingual and culturally relevant outreach and engagement materials.
- Ability to coordinate and provide professional language interpretation and translation services.
- Ability to plan, execute, and facilitate multi-stakeholder meetings focused on sensitive topics.
- Ability to develop and execute effective and equitable local engagement strategies.
- Ability to track and report on metrics and progress related to community engagement efforts.
- Community partners with prior experience working with a specific community will be prioritized for that community.

# EXPECTATIONS

- Participate in SAFER Outreach and Engagement Pool kick-off meeting.
- Participate in a project-specific kick-off meeting.
- Complete all required engagement and outreach tasks for assigned projects.
- Provide a written update to SAFER program staff on a quarterly basis or more frequently.
- Meet with SAFER program staff quarterly to discuss progress, barriers, and questions on deliverables.
- Compile and share copy of deliverables quarterly (outreach and meeting materials, copies of public comments, stakeholder lists, photos of events, summary of metrics, etc.).
- Complete project closeout report and evaluation.

# Training and Onboarding

To ensure all community partners included in the SAFER Outreach and Engagement Pool have the necessary tools and foundation to engage with local communities on drinking water solutions, selected Community Partners will be required to participate in a training and onboarding process including the following topics:

- State Water Board overview
- California drinking water challenges
- SAFER drinking water program
- SAFER Outreach and Engagement Pool goals
- Expectations for Community Partners
- Tips and insights from community partners with experience in the California water sector

Selected community partners will receive a resource guide that includes the following information:

- Contract expectations and requirements, including reporting timelines and templates.
- Project background information (maps, timelines, water quality status, public health information).
- SAFER toolkit (plain language factsheets and PowerPoints).
- Guidance for obtaining stakeholder lists, securing meeting venues, distributing informational materials, tips for virtual meetings, language access requirements, and more.
- Engagement templates and samples (community profiles, surveys, feedback forms, etc).
- Contact information for State Water Board SAFER Outreach and Engagement Pool contacts.

# SAFER Advisory Group Discussion: Direct Operation and Maintenance Support

# Purpose

The SAFER Advisory Group will discuss how the Safe and Affordable Drinking Water Fund can help systems with direct operation and maintenance (O&M) costs. This document is intended to help Advisory Group members prepare for the discussion.

# Background

O&M includes all activities needed to run a water system, except construction of new facilities. These activities include replacing equipment, treating water so it meets safe drinking water standards, training operators, sending out water bills, and more. O&M activities are critical for a healthy water system and can impact a community's access to safe drinking water. Some water systems defer O&M activities because their water rates do not accurately account for O&M costs. The Safe and Affordable Drinking Water Fund (Fund) is the only state or federal program that provides financial assistance for O&M costs.

# **Direct O&M Support**

The Fund Expenditure Plan (FEP) separates financial assistance into indirect and direct O&M support. Indirect O&M support includes funding for technical assistance, administrator services, and project planning. Direct O&M support provides funds for maintenance and repairs, treatment, or revenue shortfalls.

**<u>Pilot Project</u>**: The 2020-2021 FEP included \$3.2 million for an O&M pilot project that will investigate how different types of water systems benefit from receiving direct O&M support. The pilot will focus on two or more water systems that comply with drinking water standards but have to charge high rates to pay for treatment, 2) cover existing debt, or 3) purchase expensive wholesale water. The pilot will begin in late 2021 and last for about three years. Results from the pilot will help inform how future direct O&M support is distributed.

<u>**Case-by-Case</u>**: The 2021-2022 FEP provides \$7 million for direct O&M support on a case-bycase basis. The FEP prioritizes direct O&M support for consolidation projects where smaller systems with deferred maintenance or revenue shortfalls are joined to a larger system. Direct O&M support ends when required maintenance is completed and water rates are adjusted to adequately cover future O&M costs. The FEP also provides direct O&M support for 1) smaller water systems where consolidation is not a realistic solution or 2) water systems with a stateappointed administrator that do not have enough revenue to cover O&M costs.</u>

# **Discussion Questions**

# 1. What criteria should staff consider when selecting systems for Case-by-Case support?

(For example: system size, system has a long-term solution underway, system treats contaminants to meet primary maximum contaminant levels, system has existing debt, system pays high wholesale water rates, system has an administrator, customer water

rates are above 1.5 percent or 2.5 percent of median household income, system is on the Needs Assessment At-Risk list, the system has taken steps to reduce O&M costs by installing water meters.)

- 2. What types of O&M activities should be funded? (For example: monitoring, permitting, staffing, operator training, facilities and billing system upgrades, asset management planning, capital improvement planning)
- 3. How long should financial support last?
- 4. What should the reporting requirements for direct O&M support be?

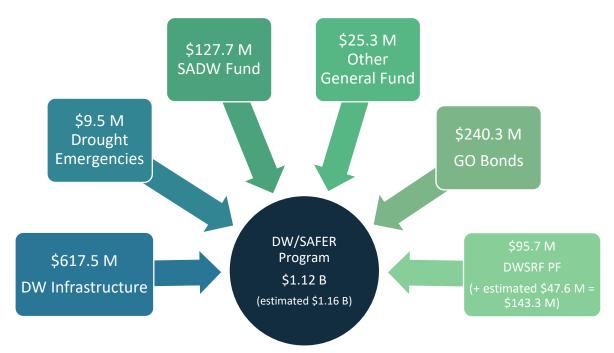
# **Drinking Water Infrastructure Funds Discussion**

# Purpose

The SAFER Advisory Group will discuss how to spend drinking water infrastructure funding from the Budget Act of 2021 (SB 129). This document is meant to help Advisory Group members prepare for the discussion.

# Background

SAFER Drinking Water Program funds comes from a variety of sources as highlighted in the following chart:



Part of these funds include \$650 million for drinking water infrastructure projects, which are meant to support the human right to water by providing financial and administrative assistance to improve access to, and the quality of, drinking water in disadvantaged communities (DACs). Up to 10 percent of these funds can be used for technical assistance and capacity building.

On August 8, 2021 the State Water Board approved a resolution to begin spending \$100 million of this funding for planning, construction, or technical assistance grants for drinking water projects for small DACs, expanded small DACs, and small non-DACs.

# Discussion

The Advisory Group discussion will focus on how to spend the remaining \$550 million.

# SAFER Advisory Group Updates: November 2021

# **Overview**

This document provides a written update for Advisory Group members on topics related to the SAFER program. There will <u>not</u> be a facilitated discussion on the topics below. *You are encouraged to read these updates, but it is not required for Advisory Group Meeting* #3.

# SAFER Program Progress

The table below shows the goals and current progress of the number of communities and people that the SAFER program aims to assist. This table can help paint a picture of how much progress the SAFER program has made in achieving these goals.

Goals	2021 Target	Current	
	# of Communities	# of Communities	# of People
<b>Interim safe drinking water</b> E.g., bottled water, point of use, repairs	150	426	27,731
<b>Project planning</b> <b>assistance</b> E.g., new planning agreements	100	171	135,887
Long-term solutions E.g., completed construction or consolidation	100	81	98,796
<b>Return to compliance</b> E.g., water system is serving safe water	100	44	

# Point-of-Use/Point-of-Entry Pilot Project

Point-of-Use (POU) and Point-of-Entry (POE) systems are water treatment methods used to treat water for a single home or building.

The 2020-21 Fund Expenditure Plan included a POU/POE pilot project that aims to:

- understand the current state of POU/POE technology,
- identify needs and knowledge gaps related to implementing community-scale POU/POE projects, and
- propose innovative POU/POE pilot studies that address common or new challenges.

In 2021, Water Boards staff developed a pilot project plan with the following objectives to help meet these goals:

- 1. Hold listening sessions with technical experts and POU/POE users to understand benefits and challenges of POU/POE treatment and hear first-hand experiences that will help inform the following objectives. (beginning in late 2021)
- 2. Develop a staff summary that presents the current state of POU/POE technologies, including requirements and limitations of implementing POU/POE, identifies knowledge gaps, and proposes feasible recommendations for short- and long-term POU/POE solutions for water systems and future pilot studies. (beginning in mid-2022)

Water Boards staff plan to develop a webpage with useful POU/POE information and updates on the pilot project status soon.

# **State Water Board Audit**

On June 8, 2021, the Joint Legislative Audit Committee received a request to do a performance audit of the State Water Board's efforts to help provide Californians with clean drinking water. The SAFER Program is a part of these efforts and will be audited by the State Auditor. The State Auditor will provide oversight and thoughts on how to best provide safe drinking water to the million Californians without it. <u>Click here</u> to read the entire audit request.

# **Drought Assistance**

California, and the entire western United States, is experiencing the second dry year in a row. Many of the water systems and domestic wells the SAFER Program aims to help are the most vulnerable to the effects of drought. Emergency water is available for water systems, households, and California Native American Tribes. See below for more information:

- Households and water systems that need emergency water: contact the county's Office of Emergency Services for help. Click here to find your county's Office of Emergency Services contact information. If a county Office of Emergency Services is unable to assist, please email drought@waterboards.ca.gov.
- California Native American Tribes that need emergency water: contact the State Water Board's Tribal Liaison, Adriana Renteria, at Tribal-Liaison@waterboards.ca.gov or (916) 216-1126.

#### Background

The State funds County responses for drought-related water shortages through the State Water Board Safe and Affordable Drinking Water Fund and the Department of Water Resources Small Community Drought Relief program.

Agencies are providing emergency drought funding for individual projects, such as Hornbrook Community Services District and Frazier Park Public District. In addition, agencies are coordinating efforts to help counties develop regional programs that help fill emergency drought response funding gaps, especially in counties that have a high risk of wells going dry and/or many state small water systems and domestic wells. The State Water Board is prepared to collaborate on regional programs that include assessments (e.g., outreach and sampling), interim solutions (e.g., bottled water or hauled water and tanks), and long-term solutions (e.g., well repairs/replacements or consolidation) for state small water systems and domestic wells.

In August 2021, the State Water Board informed all 58 counties of the funding opportunities and invited them to participate in one of two public workshops that explained the process and answered questions. Over 400 people attended these workshops. In September 2021, the State Water Board held an additional workshop and more than 400 people attended. As of September, State Water Board staff have connected with representatives from nearly all 58 counties and are in discussions on regional programs with more than 10 counties.

# Wastewater Infrastructure Funding

The State Water Board has \$650 million in funding for wastewater infrastructure projects. On August 8, 2021, the State Water Board approved a resolution to begin spending \$100 million of this funding on planning, construction, or technical assistance grants for wastewater projects, with priority given to septic-to-sewer conversions.

State Water Board staff conducted a stakeholder meeting on October 20, 2021 to collect input, receive feedback, and identify areas of consensus and concern on initial ideas for how to spend the remaining \$550 million. Water Board staff plan to hold a public workshop in late 2021 to present information and collect feedback on a draft wastewater infrastructure funding implementation plan. The State Water Board will vote on this plan in early 2022.

# Water Debt Relief (Arrearages)

The State Water Board is administering the California Water and Wastewater Arrearage Payment Program to provide community water systems with financial relief for unpaid water bill debt accrued between March 4, 2020 and June 15, 2021 from residential and commercial customers.

#### Key Program Information and Timeline

- In July 2021, the State Water Board received \$985 million for the program.
- In Summer 2021, the State Water Board conducted a 30-day survey to determine statewide drinking water debt.
  - Over 80 percent of community water systems completed the survey (2,293 out of 2,841) and reported about \$316 million in drinking water debt.
  - Survey results indicate that there are adequate funds available to meet 100 percent of reported drinking water arrearages and up to three percent (up to \$1 million) in administrative costs for water systems.
- Water systems must apply for this funding. The application opened on Oct. 5, 2021.
- Water systems have until December 6, 2021 to apply, but the sooner they apply, the sooner funds will be available.
- The State Water Board must begin disbursing funds by November 1, 2021.
- To be eligible for funding, water systems cannot disconnect customers for nonpayment prior to Dec. 31, 2021 without offering a payment plan and 30 days to enroll.
- Beginning in February 2022, the program will start funding wastewater debt.

• For more information visit bit.ly/CWWAPP.

# Water Boards Racial Equity Resolution

Racial equity occurs when race can no longer be used to predict life outcomes and outcomes for all groups are improved. Contaminated water sources and lack of safe drinking water disproportionately burden low-income communities and Black, Indigenous, and people of color communities throughout California. In recognition of these disproportionate impacts, the Water Boards accept responsibility for confronting structural and institutional racism and advancing racial equity.

To advance racial equity, the Water Boards has held listening sessions with employees and the public and has developed a draft racial equity resolution. The State Water Board will consider the adoption of the draft racial equity resolution on November 16.

- Watch the board meeting: video.calepa.ca.gov
- Provide public comment: waterboards.ca.gov/board\_info/remote\_meeting
- For more information: waterboards.ca.gov/racial\_equity

# Affordability Threshold Engagement and Next Steps

# Background

In its Safe and Affordable Drinking Water Fund Expenditure Plan (FEP), the State Water Resources Control Board (State Water Board or Board) must establish an affordability threshold that identifies water systems serving disadvantaged communities (DACs) that charge unaffordable fees for providing safe drinking water.

The current threshold is 1.5 percent of the annual median household income (MHI) of the community served by the water system. This threshold may not directly correlate to an unaffordable rate for a community but gives a rough idea of systems that may have challenges with affordable water rates.

In 2020, State Water Board staff held several public workshops as they developed the 2021 Drinking Water Needs Assessment. These workshops included discussions on how to measure water affordability and additional criteria for the affordability threshold.

In early-2021, staff released the 2021 Drinking Water Needs Assessment, which included an Affordability Assessment that evaluated various affordability criteria and recognized the need for additional stakeholder and tribal engagement to better define the scope of the Affordability Assessment and how to use its results.

# **Overview**

In summer 2021, State Water Board staff continued engaging on water affordability by hosting 16 small group and individual discussions on the following topics:

- 1) What contributes to a system's financial ability to operate/maintain their system.
- 2) What determines a community's ability to meet the costs of water.
- 3) What indicators should be used to measure affordability.
- 4) Complexity versus simplicity in developing a threshold.
- 5) How to best communicate affordability topics.

The purpose of these discussions was to 1) collect input on how to measure the affordability threshold, 2) understand what parts of the larger affordability discussion different stakeholders are interested in, and 3) build and maintain relationships, especially with stakeholders who were not already engaged with the SAFER Drinking Water program.

Participants included water systems, community members, nongovernmental organizations (NGOs), tribal advocates, academics, local agencies, and SAFER Drinking Water Advisory Group members. Overall, we spoke with 47 participants from 37 organizations and collected over 280 individual comments.

Because we included a broad range of participants, discussions were not highly technical. Staff intend to host technical discussions on the affordability threshold in a separate engagement process after receiving feedback from these discussions.

# **Comment Summary**

There was significant variation in participant comments. The following list captures reoccurring themes, but inclusion on this list does not indicate consensus.

# **Engagement and Communication**

- 1. Many participants commended the Board for its affordability work in general and this engagement effort specifically. They appreciated the small group format because a) it felt more like a conversation where they could share nuances that may get overlooked in a three-minute public comment and b) they were able to hear from and ask questions of other participants who may have differing views. Participants are very concerned with how the affordability threshold is determined and many want to be engaged in future discussions.
- 2. **The Board needs to build and maintain relationships with stakeholders**, particularly organizations and advocates with similar goals, and provide ongoing communications on the affordability process. These relationships can help fill knowledge gaps, improve decision-making, and connect with trusted messengers that can better engage with community members.
- 3. **The Board needs to clearly communicate** the connection between systems that are identified as having unaffordable water, what assistance those systems and communities can or will receive, and how stakeholders and tribes can ground truth assessment results and provide corrections to the Board.
- 4. **Staff can better coordinate and communicate with Local Primacy Agencies (LPAs)**. Some LPAs expressed concern that the Board sends information to water systems without notifying the LPA, which causes confusion and extra work for the systems and LPAs and information from the Board is often confusing for systems and not written in plain language.
- 5. **Communities need to better understand how water rates are set** and what they are paying for (such as treatment, transportation, staffing, age of infrastructure and more). The Board should coordinate with water systems, communities, technical assistance providers, and advocates to support education on these topics using plain language.

# Affordability Threshold Measurement Considerations

While participants suggested ways to improve how we measure affordability, they generally support the direction staff are taking. Most of their suggestions were already considered in the 2021 Affordability Assessment (Appendix D.3). This indicates that staff efforts align with the needs and expectations of many participants. Participants also recognized there are many challenges associated with developing and implementing an affordability threshold.

- 6. **Participants did not agree on how or if MHI should be used as an affordability indicator**. Some participants did not support the use of MHI beyond the 2021-22 FEP; some supported its use at a threshold higher than 1.5 percent; others supported using MHI only in combination with other metrics; and still others supported it as the only affordability threshold indicator.
- 7. A single affordability threshold approach may not work statewide because water systems are unique (for example, system size, operational needs, and community

demographics) as are the issues that influence community-level affordability (such as income, employment types, unemployment rates, age, type of residents, etc.). Some participants suggested an affordability threshold range instead of a single threshold or a regional threshold approach.

- 8. **Percent Shut-Offs may not accurately capture customer hardships**. Because the COVID-19 pandemic water shut-off moratorium has impacted this metric, it will not be used in the next affordability assessment. However, some participant had concerns with this metric beyond the moratorium because systems vary in how they use shut-offs (some do not shut off water as practice, others are unable to, and trigger points for shut-offs differ).
- 9. **Extreme Water Bill may not be an effective metric** because rates vary across the state. What is extreme in one community may not be in another, and it may be difficult to accurately quantify when comparing rates to a statewide average.
- 10. **Consider a different method for measuring tribal water system affordability** because tribes may not have data to support the indicators. Some tribes don't charge customers for water and tribes that do may not charge enough to support a resilient system. Indian Health Services has a list of tribal water system maintenance needs that may help. This topic is complex and needs further consideration by the Board.
- 11. Water system financial capacity should be measured to understand affordability risks instead of community affordability metrics. This approach would be more accurate because it captures systems that charge artificially low rates.
- 12. **Some systems have artificially low rates** because they have not increased rates to pay for infrastructure maintenance. These systems may appear to have affordable water, but their rates are not covering the true cost of maintaining a sustainable system. This can increase the risk of a system failing to provide safe drinking water in the future and pose affordability challenges to the community once the system catches up with its deferred maintenance. The Board should consider this when determining the affordability threshold.
- 13. **The Board needs to be clear on how the affordability threshold will be used.** Some participants were concerned that using this threshold to determine which systems are eligible for funding provides an opportunity for water systems to change how they recuperate costs so that they qualify for funding.

# **Next Steps**

- Staff will consider input from this round of engagement as we develop the next annual Affordability Assessment.
- Staff will host a public workshop in early-2022 to receive feedback on the draft Affordability Assessment.
- Release the final Affordability Assessment in Spring 2022.
- In the second half of 2022, begin more robust and targeted engagement for the 2023 Affordability Assessment

# 2021 Legislation Related to the SAFER Program

The following is a summary of California bills that were signed into law this year related to the SAFER Program. These bills will impact the State Water Board's future work.

# **Administrative**

#### <u>AB 361 (Rivas</u>) Open meetings: state and local agencies: teleconferences.

This bill allows state agencies subject to the Bagley-Keene Open Meetings Act to use teleconferencing in certain state emergencies, until January 31, 2022. \*SAFER Advisory Group meetings are subject to the Bagley-Keene Open Meetings Act.

# AB 680 (Burke) Greenhouse Gas Reduction Fund: California Jobs Plan Act of 2021.

This bill requires the California Air Resources Board (CARB) to update the Greenhouse Gas Reduction Fund (GGRF) funding guidelines. The updated guidelines ensure that applicants meet specified labor standards to benefit under-resourced, tribal, and low-income communities.

\*The Safe and Affordable Drinking Water Fund (SADWF) funds part of the SAFER Program and includes Greenhouse Gas Reduction Funds (GGRF).

#### SB 155 (Committee on Budget and Fiscal Review) Public resources trailer bill.

This bill expands eligible funding recipients for the Safe and Affordable Drinking Water Fund (SADWF) to include technical assistance providers and community water systems, and allows privately-owned public utilities to serve as technical assistance providers. This bill also prohibits community water systems from discontinuing water service to customers due to nonpayment until December 31, 2021.

\*The Safe and Affordable Drinking Water Fund (SADWF) funds part of the SAFER Program.

# **Drinking Water**

# <u>AB 1250 (Calderon)</u> Water and sewer system corporations: consolidation of service.

This bill requires the California Public Utilities Commission (CPUC) to approve or deny an application for consolidation involving a CPUC-regulated water system within 12 months. The water system must be designated by the State Water Board as failing or at-risk of failing to provide an adequate supply of safe drinking water.

\*The SAFER Program Needs Assessment designates water systems as failing or at-risk of failing to provide an adequate supply of safe drinking water.

#### AB 1428 (Quirk) Safe Drinking Water Act: applicability.

This bill preserves the State's authority to implement the federal Safe Drinking Water Act (SDWA) in California. This bill no longer allows agricultural water districts to *self-certify* that the water they are incidentally providing for residential drinking water meets the same level of public health protection as state drinking water standards.

#### **<u>SB 403 (Gonzalez</u>)** Drinking water: consolidation.

This bill expands the State Water Board's authority to order consolidations of failing drinking water systems serving disadvantaged communities (DACs). The State Water Board can now order consolidation where a water system serving a DAC is at-risk of failing to provide an adequate supply of safe drinking water, or where a DAC is substantially reliant on domestic wells that are at-risk of failing to provide an adequate supply of safe drinking to provide an adequate supply of safe drinking to provide an adequate or domestic wells that are at-risk of failing to provide an adequate supply of safe drinking to provide an adequate supply of safe drinking to provide an adequate and adequate supply of safe drinking water. This bill also requires the State Water Board, prior to ordering consolidation, to conduct outreach to ratepayers and residents and consider any petitions submitted by community members.

\*Consolidations are an approach used in the SAFER Program.

# <u>SB 552 (Hertzberg</u>) Drought planning: small water suppliers: nontransient noncommunity water systems.

This bill requires (1) small water suppliers that serve 1,000 to 2,999 service connections, (2) nontransient noncommunity water systems that are schools, and (3) small water suppliers with fewer than 1,000 service connections to develop and maintain drought planning elements in their Water Shortage or Emergency Response Plans.

\*The SAFER program monitors these types of water systems.

#### **<u>SB 776 (Gonzalez</u>)** Safe drinking water and water quality.

This bill improves the implementation of the Safe and Affordable Drinking Water Act (SB 200) by:

- 1. authorizing the State Water Board to adopt emergency regulations to quickly address drinking water emergencies,
- 2. allowing the State Water Board to make limited advance payments and funding for projects without a written agreement, and
- 3. strengthening the State Water Board's authority to enforce the terms, conditions, and requirements of its financial assistance programs to take enforcement against fraud.

\*SB 200 created the SAFER Program. This bill also applies to the Safe and Affordable Drinking Water Fund (SADWF), which funds part of the SAFER Program.

#### Water Rights

#### **<u>SB 427 (Eggman</u>)** Water theft: enhanced penalties.

This bill allows local water agencies to adopt ordinances that create enhanced fines for water theft from their systems. The allowable penalty is capped based on the nature of the violation and whether it is a first, second, or third or greater violation within a one-year period.

# 2021 Budget Actions Related to the SAFER Program

The following is a summary of 2021 budget actions related to the SAFER program. These funds may directly impact the State Water Board's future work.

#### **Major budget actions**

• **Drought Package** - Provides \$4.6 billion over three years to respond to drought conditions and invest in a more resilient water future. Funding will cover water recycling, sustainable groundwater management, and cleaning up toxic contaminants.

# Funding provided to the State Water Board

- \$1 billion for water arrearages (water debt relief).
- \$1.5 billion to the State Water Board General Fund, includes:
  - \$650 million for drinking water projects,
  - o \$650 million for wastewater projects, and
  - \$200 million for groundwater cleanup.
- \$10 million for drinking water emergencies.

# Funding provided to the Department of Water Resources

- \$101 million for immediate drought support.
- \$663 million for local assistance related to drought relief, includes:
  - o \$200 million for small community drought relief,
  - o \$100 million for urban community drought relief,
  - o \$200 million for multi-benefit projects,
  - o \$60 million for Sustainable Groundwater Management Act implementation,
  - o \$100 million for water conveyance, and
  - \$3 million for emergency drought support.
- \$115 million for groundwater cleanup and water recycling.