

**Summary of**  
**Bay-Delta Policy Legislation & Bond Measure**  
**CAC – January 11, 2009**

In the first week of November 2009 the Governor signed five bills included in the Bay-Delta bill package aimed at providing a “comprehensive solution” to the current water crisis in California. This landmark legislation was passed in the 2009-2010 Seventh Extraordinary Session, and included four policy bills and one bond bill. This was historic accomplishment for water and will advance Bay-Delta policy as well as statewide water conservation and enforcement of water rights. Included in the bill package were:

- SBX7-1 (Simitian) Delta Governance
- SBX7-2 (Cogdill) Water Bond
- SBX7-6 (Steinberg) Groundwater Monitoring
- SBX7-7 (Steinberg) Water Conservation
- SBX7-8 (Steinberg) Water Diversions

**SBX7-1 (Simitian) Delta Governance**

SBX7-1 establishes as official state policy the “coequal goals” of water supply reliability and environmental restoration in the Delta. The Blue Ribbon Task Force established the “coequal goals” in its recommendations made in 2007, under Governor Schwarzenegger’s Delta Vision process.

This legislation creates the Delta Stewardship Council (DSC), which will assume the duties and obligations of the California Bay-Delta Authority. The council will be required to draft a Delta Plan. The Delta Plan must incorporate the Bay-Delta Conservation Plan (BDCP) if the BDCP qualifies as a Natural Communities Conservation Plan (NCCP). The DSC will act as an appellate body to determine whether actions and plans in the Delta are consistent with the Delta Plan. Four of the seven voting members of the council will be appointed by the Governor and three by the Legislature. In addition, the DSC will appoint the newly created Delta Independent Science Board, tasked with providing scientific basis for management decisions in the Delta.

The Delta Conservancy – the entity that will oversee environmental restoration in the Delta – is established under this legislation. The Delta Protection Commission, tasked with overseeing land use in the Delta, is reorganized. The commission is required to adopt a Delta sustainability plan by July 2011.

In addition, SBX7-1 repeals the California Bay-Delta Authority Act, appropriates \$28 million from existing bond funds for the Two-Gates Fish Protection Project, and requires the State Water Resources Control Board to appoint a Delta Watermaster granted authority to enforce water rights in the Delta.

*Importance of SBX7-1* The co-equal goals of water supply reliability and environmental restoration in the Delta become official state policy. This legislation provides the structure and process to implement the BDCP once completed. Implementation of the BDCP will improve water supply reliability for southern California.

## **SBX7-2 (Cogdill) Water Bond**

SBX7-2, the “Safe, Clean, and Reliable Drinking Water Supply Act of 2010” includes approximately \$11.4 billion in general obligation bonds. The measure has been qualified by the Secretary of State for the November 2, 2010 general election ballot, and includes seven funding chapters.

Chapter 5. Drought Relief	\$0.455 billion
Chapter 6. Water Supply Reliability	\$1.400 billion
Chapter 7. Delta Sustainability	\$2.250 billion
Chapter 8. Statewide Water System Operational Improvement	\$3.000 billion
Chapter 9. Conservation and Watershed Protection	\$1.785 billion
Chapter 10. Groundwater Protection and Water Quality	\$1.000 billion
Chapter 11. Water Recycling and Conservation	\$1.250 billion

**Chapter 5** provides \$455 million for drought relief. Included is \$100 million for the San Vicente Dam Raise project. Another \$90 million is available for competitive grants for drought relief projects including water conservation and efficiency, water recycling, groundwater cleanup, local and regional conveyance projects, and local and regional surface storage projects.

**Chapter 6** provides \$1.05 billion for Integrated Regional Water Management. Also available is \$350 million in competitive grants for local and regional conveyance projects. The San Diego Integrated Regional Water Management funding subregion, which includes the upper Santa Margarita River watershed in Riverside County, will receive \$87 million.

**Chapter 7** provides \$2.25 billion for improving the sustainability of the Delta. The funding in this chapter is critical to the success of the BDCP and ultimately to the achievement of the co-equal goals of water supply reliability and ecosystem restoration in the Delta. While none of this money is directly available to the Water Authority or its member agencies, achievement of the co-equal goals could provide substantial indirect benefits to San Diego County through improvements in water supply reliability. Chapter 7 provides \$1.5 billion in funding for projects included in the Delta Plan prepared by the newly established Delta Stewardship Council. Chapter 7 will fund the statewide public benefits associated with the conveyance infrastructure (mainly ecosystem improvements), but no money from the bond measure is to be used to pay for construction of the conveyance infrastructure itself. The State Water Project and Central Valley Project contractors have agreed to pay for construction of the conveyance infrastructure, as well as the associated design, property acquisition, and environmental mitigation.

**Chapter 8** provides \$3 billion in funding for new surface or groundwater storage projects in or upstream of the Delta. The intended recipients of funding from this chapter are reservoirs that were identified in the CALFED Record of Decision, which have been studied for the past several years. These projects include Temperance Flat Reservoir on the upper San Joaquin River, Sites Reservoir north of the Delta, and expansion of the Los Vaqueros Reservoir in Contra Costa County.

**Chapter 9** provides funding for resources programs throughout the state. Many of these programs are not water programs, but most have impacts on watersheds and rivers. This chapter provides a total of \$1.785 billion but, unlike most of the other chapters, the funds are directly allocated to specific programs. Out of \$250 million allocated to the State Coastal Conservancy for projects in coastal watersheds and rivers, \$40 million is allocated specifically to San Diego County, including

at least \$20 million for the San Diego River Conservancy. Out of the \$250 million, \$150 million is unallocated and will be available for competitive grants. The San Diego region will be eligible to apply for grants from this fund.

**Chapter 10** provides \$1 billion for the prevention and cleanup of groundwater contamination. Because the San Diego region has limited groundwater resources, this chapter provides fewer opportunities for the region to compete.

**Chapter 11** provides \$1 billion for water recycling and advanced treatment technology. It includes \$250 million for achievement of the state's 20 percent by 2020 target for reduction in per capita water use. As leaders in water recycling and desalination projects, as well as water conservation, the Water Authority and its member agencies will be well positioned to compete for funding from this chapter.

### **SBX7-6 (Steinberg) Groundwater Monitoring**

SBX7-6 provides for statewide groundwater monitoring, requiring groundwater basins to report groundwater levels. Entities may propose to be designated by the Department of Water Resources (DWR) for groundwater monitoring. Where no groundwater monitoring entity steps forward and DWR has to assume responsibilities for monitoring in a particular basin, the basin will be ineligible for state grants and loans.

*Importance of SBX7-6* California did not previously have any requirement that groundwater levels be monitored, although it is a widespread practice in Southern California. This legislation provides for a greater ability to manage water supplies statewide.

### **SBX7-7 (Steinberg) Water Conservation**

SBX7-7 requires the state to achieve a 20 percent reduction in urban per capita water use by 2020. Included are procedures for agricultural and for commercial, industrial, and institutional (CII) water users to reduce water use. A water use efficiency task force is created for CII water users. Agricultural water suppliers are required to submit water management plans (agricultural water suppliers that submit urban water management plans are exempt from this requirement). Urban and agricultural water suppliers will be ineligible for state grants and loans if they do not achieve certain interim goals.

*Importance of SBX7-7* While water conservation will be required in all parts of the state, past investments in conservation will be recognized. This legislation provides a greater ability statewide to manage water supplies and provides local and regional flexibility in achieving water conservation goals.

### **SBX7-8 (Steinberg) Water Diversion Reporting**

In-Delta water users are currently exempt from reporting their water diversions. SBX7-8 removes this exemption, creates a civil liability for failure to report diversions, and stiffens penalties for illegal diversions. In addition, this legislation appropriates \$546 million from Propositions 84 and 1E for integrated regional water management, flood control, and natural community conservation planning.

*Importance of SBX7-8* It is estimated that illegal diversions from the Delta may be eliminated by as much as 500,000 acre-feet per year. This legislation also provides a funding mechanism for the BDCP process.