

# LEGAL

# AFFAIRS

APRIL 2, 2024

COMMITTEE





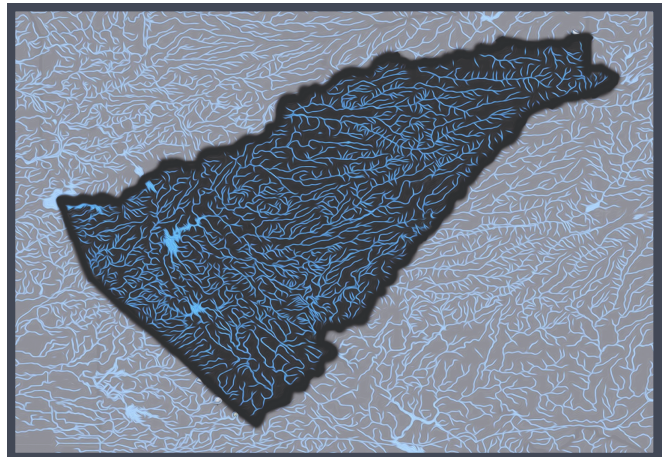


**California Special  
Districts Association**  
*Districts Stronger Together*

## **H.R. 7525 SPECIAL DISTRICT GRANT ACCESSIBILITY ACT**

Special districts are local governments created by the people of a community to deliver specialized services essential to their health, safety, economy and well-being. Nationwide, there are approximately 35,000 special districts that provide a broad range of public services, including fire protection, drinking water and wastewater services, healthcare, transit, natural resource conservation, mosquito abatement, and more.

Despite the prevalence of special districts throughout the United States, federal law lacks a consistent definition of special purpose units of local government. As a result, some special districts face challenges in accessing federal funding opportunities and are commonly omitted from the definition of eligible units of local government in legislative proposals that authorize federal programs and funding. Moreover, special districts lack official population figures and are therefore not recognized by the U.S. Census Bureau as "geographic units of government." As a result, special districts are unable to gain access to certain formula-driven grants and resources.



The Special District Grant Accessibility Act represents a long overdue effort that would define special districts in a clear and consistent way and would ensure that special districts have the same access to federal resources as other units of local government.

Approximately 35,000 special districts are local governments providing critical infrastructure and essential services in thousands of communities across the country. They exist when a community demands a service that another unit of government is not otherwise providing. These agencies are established and locally governed under an enabling act or special act of a state to provide a limited and specific set of public services.

## The Problem

Despite the significant presence of special districts in the U.S.,

### Federal law lacks a consistent definition and reference to special purpose units of local government.

*As a result, special districts:*

- May have difficulties directly accessing funding opportunities.
- Are commonly omitted as eligible in the definitions of “local government” for proposed legislation and laws intended to assist all local governments.
- Are mistaken for small businesses or nonprofit corporations.
- Lack official population figures, as they are not federally recognized as “geographic units of government.”

## The Solution: H.R. 7525

### The Special District Grant Accessibility Act

- Requires Federal agencies to recognize special districts as local government for the purpose of Federal financial assistance determinations.
- Codifies in Federal law a first-ever, formal definition of "special district."

## “Special District” Defined

*H.R. 7525 - The Special District Grant Accessibility Act, defines "special district" as follows:*



The term “special district” means a **political subdivision of a State**, with specified boundaries and significant budgetary autonomy or control, created by or pursuant to the laws of the State, for the **purpose of performing limited and specific governmental or proprietary functions** that distinguish it as a significantly separate entity from the administrative governance structure of any other form of local government unit within a State.



### Common Services Provided

### Quick Facts

- |                    |                        |                       |
|--------------------|------------------------|-----------------------|
| Water & Wastewater | Healthcare & Hospital  | Road & Highway        |
| Irrigation         | Park & Recreation      | Airport               |
| Fire Protection    | Port/Harbor/Navigation | Electricity           |
| Ambulance          | Library                | Mosquito Control      |
| Transit            | Cemetery               | Resource Conservation |

**35,000** Special District Governments  
**17%** All local government revenue

**50 states**

### Connect & Engage on Solutions

*NSDC is the only national organization representing and advocating for all types of special districts at the federal level.*

[jk@paragonlobbying.com](mailto:jk@paragonlobbying.com)

(877) 924-2732

# SECOND ROUND OF PROPOSED REGULATION TO MAKE WATER CONSERVATION A WAY OF LIFE RELEASED



The State Water Resources Control Board on March 12, 2024 released a revised draft regulation for Making Conservation a California Way of Life. The revised text includes significant changes to address water suppliers' concerns.

The revised draft regulation outlines unique water use efficiency goals for each urban retail water supplier, including urban water use efficiency standards, variances, an urban water use objective, and commercial, industrial, and institutional (CII) measures.



Many of the changes are foundational to the success of this regulation, which define water suppliers' ability to work with their customers to achieve meaningful water savings and multi-benefits, while considering cost, affordability, and suppliers' good faith efforts, while minimizing unintended impacts.



# MAKING CONSERVATION A CALIFORNIA WAY OF LIFE



ACWA and its coalition partners submitted comprehensive comments to the State Water Board on the August 2023 version of the proposed Regulation. Core to ACWA's comments was the request that the State Water Board work with ACWA, water suppliers, and other interested parties to address the policy and technical concerns in the revised draft.

To achieve ambitious water use efficiency standards, water suppliers must develop and implement new programs requiring long-term customer behavior change and significant investments. Compliance starting in 2025 would be unreasonable, with 42% of suppliers potentially out of compliance and insufficient time for data collection and submission. Adjustments to the outdoor standards timeline are necessary to provide sufficient time for planning, budgeting, staffing, and partnership building, including targeted programs for disadvantaged communities.



**RULEMAKING TO MAKE CONSERVATION A CALIFORNIA WAY OF LIFE**

**ASSESSING EARLY IMPLEMENTATION OF URBAN WATER USE EFFICIENCY REQUIRMENTS**

**SECOND ROUND OF PROPOSED REGULATION TO MAKE WATER CONSERVATION A WAY OF LIFE RELEASED**

**MARCH 12, 2024 UPDATED PROPOSED TEXT**

**UPDATE**

**MARCH 27, 2024, COMMENT LETTER – PROPOSED MAKING CONSERVATION A CALIFORNIA WAY OF LIFE REGULATION.**





# Fact Sheet

## Making Conservation a California Way of Life

### What is *Making Conservation a California Way of Life*

*Making Conservation a California Way of Life* is a new regulatory framework proposed by State Water Board staff that establishes individualized efficiency goals for each Urban Retail Water Supplier. These goals are based on the unique characteristics of the supplier's service area and give suppliers the flexibility to implement locally appropriate solutions. Once implemented, these goals are expected to reduce urban water use, helping California adapt to the water supply impacts brought on by climate change.

### Why is the framework needed?

California has always experienced large swings between dry and wet weather, and due to climate change, these swings are becoming more severe. The recent storms and flooding seen statewide--following years of back-to-back extreme drought--make clear the importance of staying prepared. Hotter and drier periods that are increasing in frequency, reduced snowpack, and drier soils are making our water supplies more vulnerable. As part of the state's all-of-the-above strategy to expand storage, develop new water supplies, and promote more efficient water use, the proposed regulation seeks to cultivate long-term practices that help communities adapt to California's ongoing water challenges and lessen the need for the kinds of emergency water use reduction targets that were important in recent droughts.

### Who is impacted by the framework?

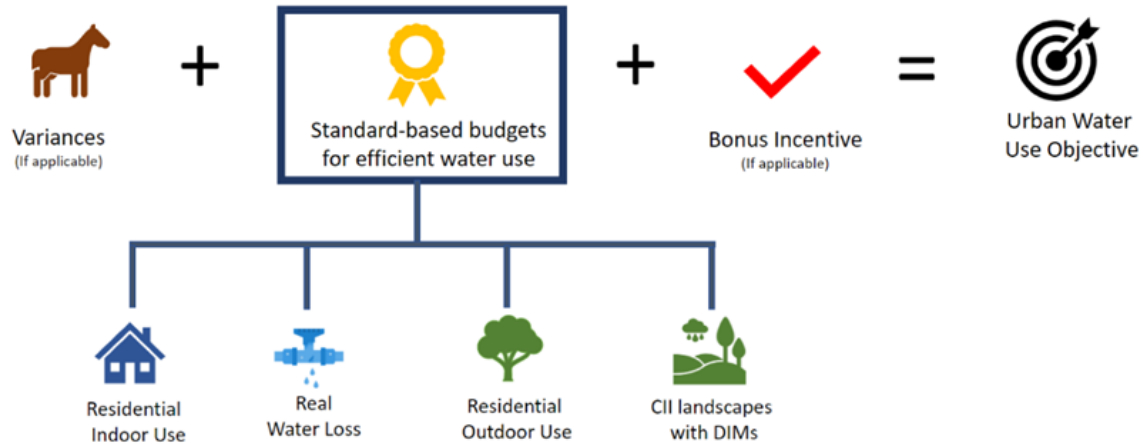
In 2018, the California State Legislature passed [Assembly Bill \(AB\) 1668](#) and [Senate Bill \(SB\) 606](#), directing the State Water Board to adopt efficiency standards and also performance measures for commercial, industrial, and institutional water use.

As part of the proposed regulation, *Urban Retail Water Suppliers – not individual households or businesses* – will be held to annual “urban water use objectives.” Urban Retail Water Suppliers are publicly and privately run agencies that deliver water to 95% of Californians. The regulation gives suppliers significant flexibility to meet objectives in a way that works best for them.

To meet annual objectives, suppliers may use a wide variety of tools to encourage customers to use water wisely, indoors and outdoors. Examples include education and outreach, leak detection, rate reform, incentives to plant “climate ready” landscapes, and rebates to replace old and inefficient fixtures and appliances.



## How would objectives be calculated?



The proposed regulation would require suppliers to annually calculate their objective, which is the sum of efficiency budgets for a subset of urban water uses: residential indoor water use, residential outdoor water use, real water loss and commercial, industrial and institutional landscapes with dedicated irrigation meters. Each efficiency budget will be calculated using a statewide efficiency standard and local service area characteristics such as population, climate, and landscape area. Where relevant, suppliers may also include in their objective “variances” for unique uses, or a bonus incentive for potable recycled water use.

Suppliers would need to meet the overall objective, not each individual budget. The one exception is the budget for water loss, which was set by a [separate regulation](#).

## What else would the framework do?

The proposed regulation would help realize the water savings outlined in California’s [Water Supply Strategy](#), released in 2022. The framework also is expected to result in suppliers making investments and programmatic changes that encourage individuals, businesses, and local governments to adapt how they use water. Such changes have the potential to advance the State Water Board’s mission of preserving, enhancing, and restoring the quality of water resources and the statutory directive to advance California’s climate change mitigation and adaptation goals. Specifically, the transition to climate-ready landscapes may:

Bolster nature-based solutions.

Example: Increase the prevalence of native and pollinator-friendly plants.

Create healthier soils and divert organic waste from landfills.

Example: Increase the use of compost and mulch.



Advance equity.

Examples: Encourage suppliers to reevaluate rate structures and invest in partnerships that reduce urban heat.

## What is the process and timeline for the State Water Board to consider adopting the framework?

### *Looking forward*

A second public comment period will begin on March 12 and run through March 27, 2024. A Board workshop will be held on March 20th.

### *Looking Back*

The regular rulemaking process for the proposed regulation to Make Conservation a California Way of Life began on August 18, 2023, and was followed by a public comment period and public hearing.

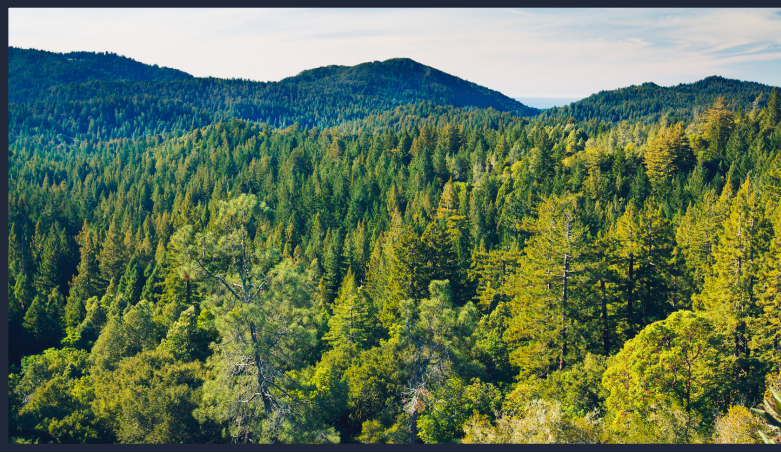
The standards for efficient residential indoor water use and water loss have already been set. The Legislature set the residential indoor standard in 2022 with the passage of Senate Bill 1157. The State Water Board adopted the water loss standard in early 2023.

## Additional information

To learn more about the proposed regulation and upcoming opportunities to participate, visit: <https://waterboards.ca.gov/conservation/framework/>

*(This fact sheet was last updated on March 12, 2024.)*





## SB 1088

It is the intent of the Legislature to establish a Rural and Small Community Fire Resilience Program within the Office of Emergency Services to work in coordination with the Department of Water Resources, the State Water Resources Control Board, and other appropriate state entities to develop a program for the distribution of state matching funds to communities within the Wildland Urban Interface (WUI), to improve water system infrastructure, including upgrading and upsizing waterlines, **installing additional fire hydrants of water systems, and enhancing water system delivery** to ensure adequate water flow for fire prevention and suppression activities.

## SENATOR MARIE ALVARADO-GIL (D-JACKSON)

Introduced a robust legislative package aimed at addressing pressing issues facing rural communities and the state. The package includes several bills targeting key areas including public safety, economic growth, agricultural sustainability, public health, and consumer protection. SB 1088: Water Infrastructure Improvements to Enhance Fire Resilience in Rural Communities

## WILDLAND URBAN INTERFACE (WUI)

The WUI is the zone of transition between unoccupied land and human development. It is the line, area, or zone where structures and other human development meet or intermingle with undeveloped wildland or vegetative fuels. Much of Calaveras County is considered part of the WUI and, like many of California's rural communities, has suffered increased environmental and economic devastation during the past decade due to wildfires. Calaveras County in particular experiences a high probability of fire danger throughout the year, with the most devastating fire being in 2015 when the Butte Fire destroyed more than 70,000 acres.





**Senator Marie Alvarado-Gil (D-Jackson)** is proud to announce the Sierra Nevada Conservancy's (SNC) \$8 million grant awards to five crucial projects in Senate District 4. These grants, awarded through SNC's Wildfire Recovery and Forest Resilience grant program, represent a significant step towards mitigating wildfire risks and restoring watersheds in the region.

In response to these grants, Senator Alvarado-Gil stated, "Both proposed projects leverage local, state, and federal funding to plan and implement critical fuels treatment projects that reduce wildfire risk and restore the health of the Upper Mokelumne River watershed. With funding support from SNC, UMRWA has been able to successfully execute critical forest management and planning projects that have resulted in improved watershed health and wildfire resilience within the El Dorado and Stanislaus National Forests."

One of the highlighted projects receiving funding is the Forest Projects Plan Phase One-B, spearheaded by the Upper Mokelumne River Watershed Authority (UMRWA) in Amador County. This \$4,739,056 initiative focuses on improving and protecting a 25,671-acre forest stand and wildlife habitat. With support from SNC, the project aims to conduct essential fuels-management treatments, contributing to a total treated area of 7,340 acres within the upper Mokelumne River watershed.

Additionally, the SNC grant funds the Forest Projects Plan – Phase Two Environmental Planning, led by UMRWA across Alpine, Amador, Calaveras, El Dorado, and Tuolumne counties. This \$723,542 initiative focuses on landscape-level improvements to forest health and resilience, aiming to reduce wildfire risks and protect vital resources. Senator Alvarado-Gil emphasizes the importance of comprehensive planning, including mechanical, hand, and prescribed burn treatments, alongside forest-management actions like commercial thinning and road decommissioning.

# SENATOR MARIE ALVARADO-GIL HONORS MERITA CALLAWAY AS SENATE DISTRICT 4'S 2024 WOMAN OF THE YEAR



## **Senator Marie Alvarado-Gil (D-Jackson)**

proudly announced Calaveras County Supervisor Emeritus, **Merita Callaway**, as the recipient of Senate District 4's 2024 Woman of the Year award. Merita's unwavering dedication to improving our community and her exceptional leadership have earned her this prestigious recognition on a state level.

Merita was nominated by Calaveras County District 3 Supervisor, Martin Huberty, who stated she has exemplified the spirit of public service, leaving an indelible mark on her community and beyond.

**[PRESS RELEASE LINK](#)**



# **ADDITIONAL LEGISLATIVE TOPICS THAT CCWD IS MONITORING**



## **AB 1891 (WALDRON R) ENHANCED INFRASTRUCTURE FINANCING DISTRICTS: PUBLIC CAPITAL FACILITIES: WILDFIRES.**

**Summary:** Would authorize an enhanced infrastructure financing district that are at least partially in high or very high fire hazard severity zones designated by the State Fire Marshal, as specified, to finance heavy equipment to be used for vegetation clearance and firebreaks, fortification of utilities against wildfires, and equipment used for fire watch, prevention, and fighting.

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## **AB 1951 (FONG, VINCE R) CALIFORNIA ENVIRONMENTAL QUALITY ACT: EXEMPTION: ROADSIDE WILDFIRE PREVENTION**

**Summary:** The California Environmental Quality Act (CEQA) requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. This bill would exempt from CEQA a project for wildfire prevention within 50 feet of either side of a roadway. Because a lead agency would be required to determine whether a project qualifies for this exemption, the bill would impose a state-mandated local program.

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## **AB 2257 (WILSON D) LOCAL GOVERNMENT: PROPERTY-RELATED WATER AND SEWER FEES AND ASSESSMENTS:**

**Summary:** The California Constitution specifies various requirements with respect to the levying of assessments and property-related fees and charges by a local agency. The California Constitution includes a public notice and a majority protest procedure in the case of assessments and procedures for submitting property-related fees and charges for approval by property owners subject to the fee or charge or to the electorate residing in the affected area following a public hearing. Current law, known as the Proposition 218 Omnibus Implementation Act, prescribes specific procedures and parameters for local jurisdictions to comply with these requirements. This bill would prohibit, if a local agency complies with specified procedures, a person or entity from bringing a judicial action or proceeding alleging noncompliance with the constitutional provisions for any new, increased, or extended fee or assessment, as defined, unless that person or entity has timely submitted to the local agency a written objection to that fee or assessment that specifies the grounds for alleging noncompliance, as specified.

### **AB 3219 (SANCHEZ R) ADVANCED CLEAN FLEETS REGULATION: LOCAL GOVERNMENTS.**

**Summary:** The California Global Warming Solutions Act of 2006 establishes the State Air Resources Board as the state agency responsible for monitoring and regulating sources emitting greenhouse gases and requires the state board to adopt rules and regulations to achieve the maximum technologically feasible and cost-effective greenhouse gas emission reductions from those sources. Pursuant to its authority, the state board has adopted the Advanced Clean Fleets Regulation, which imposes various requirements for transitioning local, state, and federal government fleets of medium and heavy-duty trucks, other high-priority fleets of medium- and heavy-duty trucks, and drayage trucks to zero-emission vehicles. The Advanced Clean Fleets Regulation authorizes entities subject to the regulation to apply for exemptions from its requirements under certain circumstances. This bill would provide that the requirements of the Advanced Clean Fleets Regulation do not apply to the purchase by a local government of vehicles with a gross vehicle weight rating greater than 8,500 pounds if the price of the zero-emission version of a vehicle is more than an unspecified percentage of the price of a comparable internal combustion engine version of that vehicle.

### **SB 1088 (ALVARADO-GIL D) OFFICE OF EMERGENCY SERVICES: STATE MATCHING FUNDS: WATER SYSTEM INFRASTRUCTURE IMPROVEMENTS.**

**Summary:** Current law establishes, within the office of the Governor, the Office of Emergency Services (OES), under the direction of the Director of Emergency Services. Existing law charges the OES with coordinating various emergency activities within the state. The California Emergency Services Act, contingent upon an appropriation by the Legislature, requires the OES to enter into a joint powers agreement pursuant to the Joint Exercise of Powers Act with the Department of Forestry and Fire Protection to develop and administer a comprehensive wildfire mitigation program relating to structure hardening and retrofitting and prescribed fuel modification activities. Existing law authorizes the joint powers authority to establish financial assistance limits and matching funding or other recipient contribution requirements for the program, as provided.

### **SB 1360 (ALVARADO-GIL D) WATER RIGHTS: APPROPRIATION.**

**Summary:** The State Water Resources Control Board administers a water rights program pursuant to which the board grants permits and licenses to appropriate water. Current law prohibits certain statutory provisions from being construed as depriving any city, city and county, municipal water district, irrigation district, or lighting district of the benefit of any law passed for their benefit in regard to the appropriation or acquisition of water. This bill would make nonsubstantive changes to the latter provision.



### **AB 2614 (RAMOS D) WATER.**

**Summary:** Current law declares that, because of the conditions prevailing in this state, the general welfare requires that the water resources of the state be put to beneficial use to the fullest extent of which they are capable, that the waste or unreasonable use or unreasonable method of use of water be prevented, and that the conservation of the water is to be exercised with a view to the reasonable and beneficial use of the water in the interest of the people and for the public welfare. This bill would make nonsubstantive changes to that declaration.

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### **AB 2962 (PAPAN D) WATER APPROPRIATIONS: PERMITS.**

**Summary:** Current law authorizes the State Water Resources Control Board to administer a water rights program pursuant to which the board grants permits and licenses to appropriate water. Current law requires the board to consider and act upon all applications for permits to appropriate water. This bill would make a nonsubstantive change to the latter provision.

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### **SB 1373 (CORTESE D) WATER: PUBLIC USE.**

**Summary:** Current law declares that all water within the state is the property of the people of the state, but the right to the use of the water may be acquired by appropriation in the manner prescribed by law. This bill would make nonsubstantive changes to that declaration.

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### **ACA 2 (ALANIS R) WATER RESILIENCY ACT OF 2024.**

**Summary:** The California Constitution declares that the general welfare requires that the water resources of the state be put to beneficial use to the fullest extent of which they are capable, and that the right to the use of water does not extend to the waste or unreasonable use, method of use, or method of diversion of water. This measure would require the Treasurer to annually transfer an amount equal to 1.5% of all state revenues from the General Fund to the California Water Resiliency Trust Fund, which the measure would create. The measure would continuously appropriate moneys in the fund to the California Water Commission for its actual costs of implementing these provisions and for specified water infrastructure projects.

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### **AB 1337 (WICKS D) STATE WATER RESOURCES CONTROL BOARD: WATER DIVERSION CURTAILMENT.**

**Summary:** Under existing law, the diversion or use of water other than as authorized by specified provisions of law is a trespass, subject to specified civil liability. This bill would expand the instances when the diversion or use of water is considered a trespass. This bill contains other related provisions and other existing laws.

### **AB 338 (AGUIAR-CURRY D) FUEL REDUCTION WORK.**

**Summary:** Existing law establishes the Department of Forestry and Fire Protection in the Natural Resources Agency and establishes the State Board of Forestry and Fire Protection within the department. Existing law requires the department to administer fire prevention programs and activities and requires the state board to adopt regulations implementing minimum fire safety standards. This bill would, commencing July 1, 2026, require fuel reduction work, done under contract and paid for in whole or in part out of public funds, as specified, to meet several standards, including that all workers performing work within an apprenticeable occupation in the building and construction trades be paid at least the general prevailing rate of per diem wages. The bill would authorize the Labor Commissioner to enforce the requirement to pay prevailing wages. The bill would exempt from these requirements, among other things, contracts in the amount of \$500,000 or less. This bill contains other related provisions and other existing laws.

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### **AB 460 (BAUER-KAHAN D) STATE WATER RESOURCES CONTROL BOARD: WATER RIGHTS AND USAGE: INTERIM RELIEF:**

**Summary:** Current law authorizes the State Water Resources Control Board to investigate all streams, stream systems, lakes, or other bodies of water, take testimony relating to the rights to water or the use of water, and ascertain whether water filed upon or attempted to be appropriated is appropriated under the laws of the state. Current law requires the board to take appropriate actions to prevent waste or the unreasonable use of water. This bill would authorize the board, in conducting specified investigations or proceedings to inspect the property or facilities of a person or entity, as specified. The bill would authorize the board, if consent is denied for an inspection, to obtain an inspection warrant, as specified, or in the event of an emergency affecting public health and safety, to conduct an inspection without consent or a warrant.

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### **SB 470 (ALVARADO-GIL D) WATER: URBAN WATER COMMUNITY DROUGHT RELIEF PROGRAM: SMALL COMMUNITY DROUGHT RELIEF PROGRAM: HIGH FIRE HAZARD AND VERY HIGH FIRE HAZARD SEVERITY ZONES.**

**Summary:** Would establish in the Department of Water Resources the Urban Water Community Drought Relief program and the Small Community Drought Relief program to provide grants for similar interim or immediate drought relief. These programs, upon a specified appropriation, would authorize funding for benefits in addition to drought relief, including, among other projects, projects that reduce the risk of wildfire for entire neighborhoods and communities through **water delivery system improvements for fire suppression purposes in high fire hazard severity zone communities or very high fire hazard severity zone communities**, as designated by the State Fire Marshal or by a local agency.

