
M E M O R A N D U M

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State Legislative Updates

The first half of July featured numerous legislative policy committees as the Legislature worked to consider bills before the July 14 deadline. The deadline marked the final day for bills in their second house to move out of their policy committees and into fiscal committees or the second house floor for final consideration. July 14 also marked the beginning of the Legislative Summer Recess, with legislators returning August 14.

Despite the lack of legislative activity at the end of the month, July was a critical time for behind-the-scenes negotiations on bills and funding activity as the Legislature gears up to tackle the final month of the legislative session. As of their return on August 14, the Legislature will have 1,231 measures to consider before adjourning for the Interim Recess on September 14.

State Budget

In mid-July, Governor Newsom signed into law the final pieces of the 2023-24 State Budget deal reached with lawmakers. Alongside the infrastructure bills, Governor Newsom also signed into law AB 102, known as “Budget Bill Jr.,” which amends a version of the budget passed last month. The Budget Bill Jr. reflects the final budget agreement as a result of negotiations between the Governor and Legislators.

Other notable bills passed a part of the budget negotiations include the infrastructure streamlining package, which accelerates certain clean energy and infrastructure projects the State needs to address climate change. The bill package aims to cut down on the process, paperwork, and litigation time for infrastructure projects that are subject to California’s Environmental Quality Act. While unlikely to apply to any specific OC San projects, it is likely this legislation will have a positive impact on major statewide infrastructure projects that could benefit OC San.

Record-Breaking Water Stored in California

Governor Newsom’s Executive Order in March 2023 allowed the California Department of Water Resources (DWR) to quickly manage this year’s snowmelt runoff and leverage it for increased storage in reservoirs, groundwater recharge, and water transfers. California reservoirs have benefited from the historic rain and snow this past winter. DWR worked throughout the winter and spring to maximize the capture and storage of this abundant precipitation.

Since December 1, 2022, the State Water Project (SWP) captured a total of 3.5 million acre-feet in SWP reservoirs and saw the greatest increase in Lake Oroville storage in the project's history. Because California saw such extreme precipitation levels, SWP allocations were able to increase at different stages in the year. In March, DWR announced a 75 percent allocation for SWP deliveries. In April 2023, DWR announced a 100 percent allocation for SWP deliveries for the first time since 2006.

One goal from [Governor Newsom's Water Supply Strategy](#), released in August 2022, is to increase groundwater recharge capacity by an average of 500,000 acre-feet per year. While there is currently limited data available on statewide groundwater recharge, DWR has determined an estimated 3.8 million acre-feet of water has been recharged this year, which is estimated water usage for more than 11 million California households annually.

Court Overturns California Ban on Local Government Workers Seeking Political Donations

In late-July, the Ninth U.S. Circuit Court of Appeals ruled that California is violating the rights of more than a million local government employees in the state by forbidding them to ask coworkers for contributions to a political candidate, while not imposing the same ban on state employees. Additionally, the Court stated that California failed to justify the unequal treatment.

State laws previously prohibited both state and local government employees from seeking campaign contributions from other employees. However, a law signed by Governor Jerry Brown in 1976 exempted state workers from this rule and left the ban in place on local employees. Violation of this law includes misdemeanor crime charges.

Judge Martha Berzon, writing for the three-judge panel that reviewed the legal challenge, rejected arguments from state Attorney General Rob Bonta's office that the two-tiered rules were necessary to prevent coercion and corruption, and that uniform, statewide oversight over state workers justified the additional level of scrutiny for county and local employees. Presuming the circuit court's decision stands, local government workers would likely be governed by the same rules as state employees, which include prohibitions against political solicitation during work hours and citing one's work title or rank in those communications.

More than 1 million local government employees would be affected by the court's ruling, according to Berzon's decision. The ruling reverses U.S. District Judge Haywood Gilliam Jr.'s decision to uphold the political solicitation ban in 2021.

Speaker Rivas Makes Assembly Leadership Changes

In early July, Assembly Speaker Rivas announced his appointments for Speaker Pro Tem and Assembly Majority Leader. Assembly Member Cecilia Aguiar-Curry will assume the role of Speaker Pro Tem, and Assembly Member Isaac Bryan will be the new Majority Leader for the 62-member Democratic caucus.

Replacing Assembly Member Aguiar-Curry as chair of the Assembly Local Government Committee is Assembly Member Juan Carrillo. Assembly Member Carrillo previously served as a Council Member on the Palmdale City Council. His chairmanship of the committee overseeing local policy issues could bring changes to the future progression of local government policy proposals and could signal a change in attitude toward unsuccessful proposals that OC San has previously brought forward or supported.