



STEERING COMMITTEE

Agenda Report

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File #: 2024-3611

Agenda Date: 5/22/2024

Agenda Item No: 2.

FROM: Robert Thompson, General Manager

SUBJECT:

LEGISLATIVE AFFAIRS UPDATE FOR THE MONTH OF APRIL 2024

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

Receive and file the Legislative Affairs Update for the month of April 2024.

BACKGROUND

The Orange County Sanitation District's (OC San) legislative affairs program includes advocating for OC San's legislative interests; sponsoring legislation (where appropriate); and seeking Local, State, and Federal funding for projects and programs.

RELEVANT STANDARDS

- Maintain influential legislative advocacy and a public outreach program
- Build brand, trust, and support with policy makers and community leaders
- Maintain collaborative and cooperative relationships with regulators, stakeholders, and neighboring communities

PROBLEM

Without a strong advocacy program, elected officials may not be aware of OC San's mission, programs, and projects and how they could be impacted by proposed legislation.

PROPOSED SOLUTION

Continue to work with Local, State, and Federal officials to advocate for OC San's legislative interests. Help to create and monitor legislation and grants that would benefit OC San, the wastewater industry, and the community. To assist in relationship building efforts, OC San will continue to reach out to elected officials through facility tours, one-on-one meetings, and trips to Washington D.C. and Sacramento.

RAMIFICATIONS OF NOT TAKING ACTION

If OC San does not work with Local, State, and Federal elected officials, legislation could be passed that negatively affects OC San and the wastewater industry. Additionally, a lack of engagement may result in missed funding opportunities.

ADDITIONAL INFORMATION

Activities in April:

- **Federal Update:**

On April 19, the EPA finalized its rule to designate PFAS chemicals as hazardous substances under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). OC San staff and lobbyist are working with the Congressional representatives to provide critical liability protections for public water and wastewater agencies from liability associated with PFAS.

- **State Update:**

During the month of April, OC San took four legislative positions:

Support for AB 2626: AB 2626 would address near-term challenges for local governments through a 10-year extension for compliance with the zero emission vehicles mandates. This would allow the industry to improve electric vehicle and battery technologies along with manufacturing the volume of vehicles necessary to outfit the fleets of nearly 500 cities, 58 counties, and thousands of special districts in California.

Oppose for SB 1210: This bill would prohibit a connection fee or capacity charge for water, sewer, and electrical services from exceeding one percent of the reported building permit value for that housing unit. Capacity charges are assessed on the customer to cover the cost of maintaining or constructing infrastructure necessary to meet the additional sewer demand from connections, such as constructing a new wastewater treatment facility.

Support for AB 2515: The bill would require a manufacturer of menstrual products to provide persons that offer the product for sale or distribution in the State with a certificate of compliance stating that the product is compliant with these provisions and does not contain any regulated PFAS.

Support SB for 1072: SB 1072 would clarify that if a water or wastewater rate or charge results in collecting revenues in excess of the costs of service, the excess revenues would be used to reduce future rates or charges. Ratepayers would not be entitled to any refund; however, ratepayers will retain the right to a refund for billing errors.

Activities in May:

- **Federal Update:**

In early May, OC San sent a letter of support to the Orange County Delegation regarding the Water Systems PFAS Liability Protection Act (H.R. 7944). This bipartisan legislation provides

critical liability protections for public water and wastewater agencies from liability associated with PFAS chemicals being designated as hazardous substances under CERCLA.

- **State Update:**

The first House policy committee deadline has now passed, meaning that for a bill to remain moving in the process it needs to have been heard and passed in policy committee(s) to the Appropriations Committee or to the floor of its House of Origin. The next steps are for fiscal bills to pass the Appropriations Committee process and then all bills must be passed off their respective floor by May 24 to continue moving in the second House.

- In advance of the June 15th Constitutional Deadline for the Legislature to pass the State Budget, the Governor's 2024-25 May Revise will be released on or before May 14. The May Revise will include changes to the Governor's Proposed Budget based upon actual April income tax receipts and will reflect discussions between the Governor and the Legislature.

ATTACHMENT

The following attachment(s) may be viewed on-line at the OC San website (www.ocsan.gov) with the complete agenda package:

- Federal Legislative Update
- Federal Matrix
- State Legislative Update
- State Matrix
- Letter of Support AB 2626
- Letter of Opposition SB 1210
- Letter of Support AB 2515
- Letter of Support SB 1072
- Letters of Support H.R. 7944 - Representatives: Porter, Sanchez, Correa, Steel, and Kim