
M E M O R A N D U M

To: Orange County Sanitation District
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State Legislative Update

On August 11, the Assembly and Senate Appropriations Committees considered legislation that originated in the opposite house that has a fiscal impact. This process essentially serves as a “fiscal filter” for active bills before they are sent to the floor for final consideration. Typically, any bill with a fiscal impact exceeding \$150,000 is placed on the fiscal committee’s Suspense File. The fiscal committees had to pass these bills by August 12 and are then considered during floor sessions scheduled between August 15 through August 31.

Suspense file hearings were conducted quickly, with Appropriations Chairs reading through the outcomes of hundreds of bills in just a few hours. The Assembly Appropriations Committee considered 323 total bills, 244 of which were passed (75 percent), and 79 held and deemed inactive (25 percent). The Senate Appropriations Committee considered 491 total bills – 368 of which were passed (75 percent), and 123 held and inactive (25 percent). Notably, many of the bills passed onto the floor received substantial amendments, which will set the stage for final deliberations until the Legislature adjourned on August 31.

The Governor will have until September 30 to sign or veto any legislation

State Legislature

Priority bills that are slated for consideration before the August 31 deadline include the following:

- [SB 1157](#) (Hertzberg) would lower the indoor residential water use target to 42 gallons per capita per day starting in 2030. Recently adopted amendments require the Department of Water Resources (DWR) to conduct an additional study to determine the impact of the 2030 standard as well as addressing its affordability. Additionally, the bill expands the list of available variances that can be granted by the State Water Resources Control Board and DWR. SB 1157 passed the Assembly Appropriations Committee without any amendments requested by the water and wastewater industry. Several associations and water and sanitation agencies remain in an oppose unless amended stance or an oppose stance on the bill.

- [AB 2142](#) (Gabriel) authorizes a gross income exclusion for any amount received as a rebate, voucher, or other financial incentive issued by a local water agency or supplier for participation in a turf replacement water conservation program. AB 2142 passed the Senate Appropriations Committee without amendments.
- [AB 2247](#) (Bloom) requires a manufacturer of perfluoroalkyl and polyfluoroalkyl substances (PFAS) or a product or product component containing regulated PFAS that is sold, offered for sale, or distributed into the state to register the PFAS or the product or product component containing regulated PFAS on the publicly accessible reporting platform created by the Department of Toxic Substances Control (DTSC) and the Interstate Chemicals Clearinghouse (ICC). AB 2247 passed the Senate Appropriations Committee with clarifying amendments and exemptions for life science products.
- [SB 230](#) (Portantino) requires the State Water Resources Control Board to establish, maintain, and direct a dedicated Constituents of Emerging Concern (CEC) in Drinking Water Program to assess the state of information and recommend areas for further study on the occurrence of CECs in drinking water. SB 230 passed the Assembly Appropriations Committee with amendments to clarify the details of the CEC Action Fund and science advisory panel and clarify that nothing in this bill shall duplicate, change, or interfere with the board's ongoing efforts on PFAS chemicals.
- [AB 2011](#) (Wicks) and [SB 6](#) (Caballero) allow for the ministerial or by-right approval of residential development on certain commercial and industrial sites so long as developers adhere to specified labor standards for workers. These bills both passed their Appropriations Committees with clarifying amendments meant to appease certain opposition groups.
- [AB 2449](#) (Rubio) would authorize members of a local agency legislative body to use teleconferencing under certain circumstances without complying with specific aspects of the Brown Act such as including the posting of the member's location and accessibility to the public. The majority of the legislative body must participate in person, and the number of times a member can utilize these new provisions are limited. AB 2449 is currently on the Senate Floor.

Governor Newsom Announces Water Strategy for a Hotter, Drier California

In August, Governor Newsom announced California's latest actions to increase water supply and adapt to more extreme weather patterns caused by climate change. The actions, outlined in a strategy document published by the Administration called "[California's Water Supply Strategy, Adapting to a Hotter, Drier Future](#)" calls for investing in new sources of water supply, accelerating projects and modernizing how the state manages water through new technology.

To help make up for the water supplies California could lose over the next two decades, the strategy prioritizes actions to capture, recycle, de-salt and conserve more water. These actions include:

- Creating storage space for up to 4 million acre-feet of water, which will allow the state to capitalize on big storms when they do occur and store water for dry periods
- Recycling and reusing at least 800,000 acre-feet of water per year by 2030, enabling better and safer use of wastewater currently discharged to the ocean

- Freeing up 500,000 acre-feet of water through more efficient water use and conservation, helping make up for water lost due to climate change.
- Making new water available for use by capturing stormwater and desalinating ocean water and salty water in groundwater basins, diversifying supplies and making the most of high flows during storm events.

These actions are identified broadly in the Newsom Administration's [Water Resilience Portfolio](#) – the State's master plan for water released in 2020 – but they will be expedited given the urgency of climate-driven changes. To advance the infrastructure and policies needed to adapt, the strategy enlists the help of the Legislature to streamline processes so projects can be planned, permitted and built more quickly, while protecting the environment.