



SB 776 (Gonzalez) Clarifying Changes to the Safe Affordable Drinking Water Fund

SUMMARY

Senate Bill (SB) 776 will make a number of clarifying statutory changes that will enhance the State Water Resources Control Board's (Board) ability to effectively and efficiently implement the Safe and Affordable Drinking Fund Program.

EXISTING LAW

Assembly Bill 685 (Eng, Chapter 524, Statutes of 2012) established California's Human Right to Water policy and requires that all residents of the state have a right to clean, affordable, and accessible water for human consumption.

SB 200 (Monning, Chapter 120, Statutes of 2019) established the Safe and Affordable Drinking Water Fund (SADWF) to help water systems provide safe drinking water for the hundreds of communities without access to it. The bill also required that five percent of the proceeds from the Greenhouse Gas Reduction Fund, up to \$130 million, be annually transferred to the SADWF until 2030. It further required the Board to adopt an implementation plan for the funds, and requires expenditures of the fund to be consistent with that plan.

BACKGROUND/PROBLEM

Approximately 1 million Californians in over 300 communities across the state do not have access to safe drinking water. Most of the failed water systems that provide unsafe water to their residents are serving low-income communities of color.

The Board is currently in the process of implementing the SADWF program to help these communities obtain safe water, and is using those funds to develop unique solutions for failing water systems, which include

mandatory consolidations and the appointment of temporary Administrators to operate and manage failing water systems.

Through its implementation of SB 200, however, the Board has identified a number of clarifying statutory changes that are needed to enable it to more effectively and efficiently implement the Safe Drinking Water Act and achieve the goals of the Human Right to Water policy.

SB 776 proposes statutory changes that primarily seek to improve Fund accountability, and provide administrative and program efficiencies. These changes are critically urgent to help the communities that need safe drinking water the most, including those sheltering at home during the COVID-19 pandemic.

SOLUTION

SB 776 is critically important to allow the Board to quickly and effectively implement the goals of the SADWF, while ensuring the state has proper enforcement mechanisms to prevent taxpayer funds from being misused.

SB 776 will provide the following efficiency changes:

- Clarifying that public water systems and technical assistance providers are eligible for funding from the SADWF.
- Defining "operation period" and "technical assistance provider."
- Requiring state small water systems (4-15 service connections) to provide monitoring and technical reports to the Board that are critical to better serve Californians.
- Exempting orders made by the Board for water analysis and technical reports made by water

systems from the requirements of the Administrative Procedure Act (APA) to ensure easily available and timely data is available to implement the SADWF.

- Authorizing the Board to adopt regulations requiring a public water system to provide a water analysis as emergency regulations under the APA.
- Providing the Board with the authority to make advance payments to entities that are authorized to receive SADWF funds, as many small disadvantaged communities do not have the cash-flow to pay vendors upfront and wait for reimbursement from the Fund.
- Authorizing the Board to award funds of \$10,000 or less from the SADWF without a written contract, which will enable the Board to be nimble in providing immediate emergency technical assistance to failing systems.
- Exempting contracts with non-profit technical assistance providers pursuant to SADWF from certain existing state contracting laws to better facilitate the timely implementation of the Fund.
- Clarifying and consolidating the Board's administrative enforcement and fining authority when enforcing the conditions of their financial assistance programs like the SADWF.

SUPPORT

State Water Resources Control Board (Sponsor)

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