

I. Introduction

The Legislature adjourned for the year on August 31st, officially marking the conclusion of the 2015-16 Legislative Session. As a result, September has largely been focused on the bills that have advanced to the Governor. As of this past Monday, the Governor had approximately 350 bills to sign or veto by this Friday. Any bills that are not acted on by the end of the work week would become law by default.

As it relates to the Council, there are a handful of bills that I'll highlight this morning that the governor signed into law earlier this week and one that is still awaiting action. Starting with the enacted bills:

II. State Bills

AB 1755 (Dodd)

Data management was the focus of a number of bills this session, including the Delta-focused AB 501 by Assemblymember Levine; however, most of these measures ultimately failed to advance in the legislative process at different points along the way.

That said, last Friday, Governor Brown did sign AB 1755 by Assemblymember Bill Dodd, a Democrat from Napa – This is a bill that I've presented to the Council many times over the course of this year and in its final form, AB 1755 requires the development of data sharing protocols by a consortium of state agencies, led by DWR, which will ultimately guide the development of a single data platform to house much of the state's water and ecosystem data.

In addition, to being consistent with recommendations in the Delta Plan that recognize the importance of improved data management, and the Delta Science Plan, the measure and its approach is consistent with the recommendations of the Data Summit White Paper – a collaborative effort led by the Council's Delta Science Program – which emphasizes the importance of developing data standards to serve as the foundation for the establishment and operation of an integrated data system. In fact, with the Science Program beginning implementation efforts of its White Paper recommendations earlier this month with a number of private and public partner agencies, the passage of AB 1755 could present an opportunity for the two endeavors to move forward in some sort of a collaborative or even integrated fashion.

Successful implementation of AB 1755 has the potential to strengthen the basis for management decisions and reduce conflict and disagreement.

AB 2800 (Quirk)

The next two bills I'll mention this morning, which have also both been signed by the Governor, address the state's water infrastructure relative to climate adaptation. Obviously this has been a fairly prominent focus of the state in recent years not only through legislative and administrative means, but also through the ballot with approximately half of the \$7.5 billion approved by voters in Prop 1 eligible for climate adaptation activities.

The first bill is AB 2800; a measure by Assemblymember Bill Quirk, a democrat from Alameda County. The preamble of the bill notes that with the state spending billions of dollars on infrastructure, state engineers should be provided with the most up-to-date and relevant climate science so that such

information is considered when establishing design standards. Specifically, the bill requires the Natural Resources Agency to establish a working group comprised of professional engineers, and representatives from DWR, CalTrans, and General Services, that would be tasked with establishing a process for integrating climate data into state infrastructure projects.

While a number of climate adaptation efforts are currently underway, Assemblymember Quirk contends that a majority of these efforts approach the issue from a relatively high-level, rather connecting climatologists with on-the-ground engineers to develop more durable standards and policies, as this bill proposes to do. As it relates to the state's water infrastructure, one would presume that the proposed working group would coordinate, to the extent feasible, with DWR's Climate Change Technical Advisory Group which currently oversees the modelling of possible climate change impacts on the state's water resources.

AB 2480 (Bloom)

The second infrastructure bill that I'll note this morning, is more squarely focused on California's natural water infrastructure. AB 2480 by Assemblymember Richard Bloom, a democrat from Santa Monica, would declare it is the state's policy that source watersheds are important components of California infrastructure and therefore, the maintenance and repair of these watersheds should be eligible for the same financing as other water collection and water treatment infrastructure. The bill goes on to define eligible maintenance and repair activities to include ecosystem restoration and conservation. As the Council may be aware, AB 2480 was also recently the subject of a Sacramento Bee editorial published last week by current State Treasurer John Chiang (Chung), who expressed his support the measure.

In terms of practical impact, while the bill doesn't qualify source watersheds for additional funding, in and of itself, it does recognize their importance, and by doing so, potentially sets the foundation for these watersheds to receive future resources from mechanisms such as revenue bonds and other financing programs going forward.

SB 554 (Wolk)

And the final piece of state legislation that I'll highlight is another one that you are familiar with and that is SB 554 by Senator Lois Wolk, a Democrat from Davis, which focuses on DWR's Delta Levees Subventions Program. Under the current parameters of the Levees Subventions Program, the state reimburses up to 75 percent of costs incurred in excess of \$1,000 per levee mile, based on an assessment of the local agency's ability to pay. The 75 percent cost-share maximum is scheduled to sunset on July 1, 2018, thereby reducing the cost share to 50 percent, while reinstating a \$2 million annual reimbursement cap for each local agency.

While previous iterations of Senator Wolk's measure would have removed the sunset altogether and made permanent the 75 percent cost-share ceiling, the current version that is before the Governor would instead only extend the sunset from 2018 to 2020. As of this morning, SB 554 has not been acted upon by the Governor. However, should measure be signed, this would mark the sixth time since the Subventions Program was created in 1973 that the sunset associated with the cost-share portion of the program has been extended.

Water Resources Development Act (WRDA)

And then finally this morning, turning to news on Capitol Hill, where both the Senate and the House passed their versions of the Water Resources Development Act within the last week. The Water Resources Development Act (more affectionately known by its acronym, WRDA) is the main vehicle for authorizing projects to be studied, planned, and developed by the U.S. Army Corps of Engineers. In addition to authorizing funding for the Flint, Michigan water crisis, the Senate version would authorize the Corps to carry out a variety projects relative to ecosystem enhancements, navigation, and flood protection across the country. While the Senate's version does not explicitly mention the Delta by name, there are a few sections of the bill that may be of interest. For instance, Section 1027 of the bill relating to levee vegetation, clarifies that the Corps may not require or carryout vegetation removal until it issues the new guidelines that were initially required in the 2014 version of WRDA. As the Council may recall, the Delta Plan recommends the Corps exempt Delta Levees from its vegetation removal policy, given that such vegetation could add natural channel habitat value.

Furthermore, the bill: 1) Clarifies that the beneficial use of dredged material for habitat restoration would not require the ongoing operation and maintenance that is typically standard for sediment disposal and 2) With an eye towards the future, and our changing climate, the bill directs the EPA, in conjunction with Interior, NOAA, and other federal agencies, to develop national drought resilience guidelines relating to drought preparedness planning and investments for communities, water utilities, and water users.

While the House version tackles a number of the same issues, there are some substantive differences between the two proposals. For example, the House version does not include the levee vegetation proposal included in the Senate version. Also, the House version directs the Corps to expedite the completion of its feasibility study for the lower San Joaquin River and specifically mentions that Reclamation District 17, which covers portions of Lathrop, Manteca, Stockton, and San Joaquin County, should be included in the scope of that assessment. One thing to note here, is that the House proposal to include RD 17 runs counter to the tentatively selected plan in the Corps' 2015 interim feasibility report that specifically excluded RD 17 from the scope of flood project upgrades.

Once the House passes its version of the Act, negotiations on crafting a final agreement will begin through the conference committee process with a final agreement not likely until after the November election.