



ANNUAL
**LEGISLATIVE
REPORT 2023**

Delivering value to our diverse customers and the communities we serve by providing safe, reliable, economical and environmentally sustainable water, wastewater, and recycled water services.

Mission, Vision, and Guiding Principles

MISSION

To deliver value to our diverse customers and the communities we serve by providing safe, reliable, economical and environmentally sustainable water, wastewater and recycled water services.

VISION

To be recognized as a leading organization in performance, technology, and advocacy; advancing innovative solutions that provide an exceptional level of customer and community service.

GUIDING PRINCIPLES

EMWD embraces excellence in all facets of our business:

- **Community:** We will be actively engaged in promoting prosperity, environmental values and public health in the communities we serve.
- **Innovation:** We will creatively seek to improve the services we provide.
- **Integrity:** We will be honest and ethical in all of our interactions.
- **Leadership:** We will take a proactive role in leading industry policies, practices and initiatives on behalf of our customers, employees and community.
- **Respect:** We will be considerate, aware and caring.
- **Responsibility:** We will be accountable for our conduct in serving our customers, employees and community.
- **Safety:** We will ensure the safety of our employees and the public, without compromise.
- **Transparency:** We will ensure the decisions and investments we make are clearly communicated and easily understood.

Contact Information

EASTERN MUNICIPAL WATER DISTRICT

PO BOX 8300 • 2270 Trumble Road • Perris, California 92572-8300
T 951.928.3777 • F 951.928.6160

BOARD OF DIRECTORS

Board President

Philip E. Paule

Board Vice President

Stephen J. Corona

Board Member

Jeff Armstrong

Board Member

Randy A. Record

Board Member

David J. Slawson

GENERAL MANAGER

Joe Mouawad, P.E.

BOARD SECRETARY

Sheila Zelaya

PUBLIC AND GOVERNMENTAL AFFAIRS

Director of Policy and
Governmental Affairs

Jolene R. Walsh
walshj@emwd.org

Governmental Affairs
Analyst

Pacal Cornejo-Reynoso
cornejop@emwd.org

Governmental Affairs
Analyst

Wajiha Noor
noorw@emwd.org

Public and Governmental
Affairs Specialist

Rhonda Cooper
cooperr@emwd.org

EMWD'S SACRAMENTO, CA CONTACT

Niemela Pappas and Associates
Erin Niemela and Jamie Minor
916.661.5365
niemela@npalobby.com

EMWD'S WASHINGTON, D.C. CONTACT

Van Scoyoc Associates
Pete Evich, Geoff Bowman, Ashley Strobel
202.737.7391
pevich@vsadc.com

DESIGNED BY
Public Affairs Specialist
Joyce Messin
messinj@emwd.org

Table of Contents

I. FEDERAL PROGRAM

Federal Overview	9
Federal Legislation by Subject	32
Activity of Federal Issues	34

II. STATE PROGRAM

State Overview.....	39
Legislative Review Process.....	52
State Legislation by Subject	53
Activity on State Issues	57
Governor’s Veto Messages.....	59

III. POLICY PRINCIPLES

Introduction	65
Overarching Principles	66
Water and Wastewater System Operation	66
External Funding and Other Funding Streams.....	68
Local and Imported Water Supplies	70
Climate Change, Resiliency, and Regulatory Compliance	73

Table of Contents

IV. LEGISLATIVE DISTRICT MAPS

U.S. House of Representatives Districts.....	79
State Senatorial Districts	80
State Assembly Districts	81

V. APPENDIX

Glossary of Terms	85
Legislative Bill Positions	86
Bill Category Experts	88
Standing Committee Abbreviations.....	92





FEDERAL PROGRAM

THIS PAGE INTENTIONALLY LEFT BLANK

FEDERAL OVERVIEW

HIGHLIGHTS FROM THE FIRST SESSION OF THE 118TH CONGRESS

ELECTIONS USHER IN A LEGISLATIVE RESET AND UNPRECEDENTED EVENTS IN THE HOUSE OF REPRESENTATIVES

The 2022 mid-term election resulted in putting Republicans in control of the House of Representatives by the narrowest of margins (222 to 213). With the Democrats succeeding in maintaining control of the Senate under a very slim 51 to 49 margin, the leadership of the nation's two legislative chambers would both need to overcome steep hurdles to achieve effective governance in the 118th Congress.

As history has shown, the dynamics of divided government at the federal level typically results in a strong dose of legislative paralysis, low productivity, and gridlock. Barring very few exceptions, those attributes best reflect what has thus far resulted from the 118th Congress. The current legislative atmosphere in Washington is in stark contrast to the 117th Congress (2021-22), which saw the enactment of several monumental pieces of legislation (e.g., American Rescue Plan Act; Infrastructure, Investment and Jobs Act; Inflation Reduction Act). Those accomplishments came to be as a result of the momentum stemming from the 2020 Presidential election, which ushered in single party control in both Congress and the White House.

In light of the traditional swinging of the political pendulum, there was an expectation that the 2022 mid-term elections would alter the balance of power in Congress and immediately short circuit the legislative advantage previously enjoyed by Congressional Democrats and the Biden Administration. However, the unforeseen drama and turbulence that overcame the House of Representatives in the days after the session began would ultimately set in motion unprecedented events, which resulted in the removal of Representative Kevin McCarthy (R-CA) as Speaker of the House—a mere nine months after he was elected to the position.

The uncertainty that descended upon the House of Representatives as a result of the ouster of Speaker Kevin McCarthy was a direct outgrowth of the circumstances that transpired at the onset of the 118th Congress when it took a dramatic 15 ballots for McCarthy to secure the speaker's gavel. However, McCarthy's speakership came at a steep cost. To gain



the votes of a dissident band of hardline GOP hold outs, McCarthy made some risky concessions. One of McCarthy's concessions to this group was to grant a House rule change that would allow a single lawmaker to make a motion for the speaker's removal. This would ultimately be the weapon employed against McCarthy. Shortly after McCarthy worked with Congressional Democrats to pass a short-term continuing resolution to avert a government shutdown in late September 2023, an anti-McCarthy Republican (Representative Matt Gaetz of Florida) – claiming McCarthy broke his promises on fiscal policy – called for a motion to vacate the Speaker chair. On October 3, 2023, eight House Republicans, in tandem with the votes of every Democratic member of the House, successfully ended McCarthy's brief reign as speaker.

After 22 days without a speaker, the House Republican conference rallied behind the candidacy of Representative Mike Johnson, a relatively unknown fourth-term member from Louisiana. On October 25, 2023, Johnson secured the speakership by winning the votes of all 220 House GOP lawmakers who were present in the chamber. Passing the annual fiscal year 2024 spending bills and averting a government shutdown by November 17, 2023, was Johnson's first challenge as speaker.

While leadership stability in the House has been restored, the new speaker will continue to face the challenge of unifying an often-divided House GOP conference on the major issues and legislation that will need to be addressed in the 118th Congress. As both the House and Senate move forward, of keen interest to EMWD will be the trajectory of the fiscal year 2024 and fiscal year 2025 budget bills, as well as the fate of other key pieces of federal legislation before the 118th Congress, which directly impact the water and wastewater sectors.

EMWD'S 2023 FEDERAL PRIORITIES AND ADVOCACY EFFORTS

Despite the polarization and gridlock that has dominated the legislative landscape in Washington this year, there has been an abundance of activity on Capitol Hill and the Executive Branch agencies directly impacting EMWD's federal priority issues and projects. As in previous years, significant attention, planning, preparation, and advocacy was required to ensure EMWD's federal goals and objectives were successfully communicated and advanced.

Some of the specific issues and topics that were the focus of EMWD's 2023 efforts at the federal level include:

- Seeking additional federal funding for the Purified Water Replenishment (PWR) project.
- Increasing the authorization of the South Perris Groundwater Desalination initiative.
- Pursuing further U.S. Army Corps of Engineers (USACE) Work Plan funding for the Desalination program.
- Securing multi-million dollar, Congressionally directed funding for several EMWD high priority infrastructure projects.
- Advocating for Congressional legislation exempting passive receivers, including water providers and wastewater agencies, from a forthcoming U.S. Environmental Protection Agency (USEPA) regulation designating PFAS substances as hazardous waste under Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) (Superfund law).
- Requesting USEPA to re-evaluate a proposed rule establishing significantly lower maximum contaminant levels for certain PFAS.

- Protecting EMWD's existing and future facilities in any federal legislation introduced establishing a Western Riverside County Wildlife Refuge.
- Reauthorizing the key U.S. Bureau of Reclamation (USBR) Western Water grant programs, including Title XVI, and funding for federal programs, which help advance water conservation initiatives.
- Engaging the Administration and Congress on thoughtful approaches to address the increasing stress on the Colorado River and its impacts on water deliveries to the Lower Basin states.

A vitally important element to the success of EMWD's federal program is its direct advocacy and engagement activities. Throughout the course of the year, EMWD conducted several in-person and virtual meetings with its Congressional Delegation, Committees, and top Federal agency personnel.

As part of this effort, EMWD representatives embarked upon a successful trip to Washington, D.C. in late May 2023. EMWD Board President Phil Paule, Board Member Jeff Armstrong, General Manager Joe Mouawad and staff conducted a series of fruitful advocacy meetings with EMWD's Congressional Representatives (Representatives Calvert, Takano, Ruiz and Issa), staff from the offices of Senators Feinstein and Padilla, as well as, the USACE, USEPA, and the USBR. EMWD's second advocacy trip to Washington D.C. occurred in mid-November 2023 and included Board President Phil Paule, and Board Member Steve Corona, General Manager Joe Mouawad and staff. This series of meetings was also extremely productive.

In addition, in Riverside County, EMWD representatives hosted and attended productive briefing sessions with the Secretary of Interior Deb Haaland, Representative Mark Takano, Representative Raul Ruiz, Representative Ken Calvert, USBR officials, several USACE officials and the White House Infrastructure Czar Mitch Landrieu.

The following report will provide details on advocacy achievements, engagement activity, key developments, and other pertinent information related to EMWD's federal program and priorities.



TRAILBLAZING CALIFORNIA SENATOR DIANNE FEINSTEIN DIES AT 90

On the evening of September 28, 2023, Dianne Feinstein, who became California's first female senator and went on to serve six terms, the longest of any woman in Senate history died at the age of 90.

Over the course of her remarkable political career spanning seven decades, Feinstein shattered one glass ceiling after another. She was the first woman president of the San Francisco Board of Supervisors, the first woman mayor of San Francisco, the first woman nominated by a major party for California governor, the first woman senator from California, the first woman to serve on the Senate Judiciary Committee and the first woman to chair the Senate Rules and Intelligence committees. Feinstein also was the longest serving senator from California and the longest serving woman senator from any state.

Over her three decades in the Senate, Feinstein transformed from a barrier-breaking member of the Democratic Party's liberal vanguard to one of Washington's establishment members, esteemed by lawmakers on both sides of the aisle. Throughout her career, Senator Feinstein was a stalwart champion of water, conservation, and sustainability, who never shirked away from tackling complex and critical water challenges facing the state. The 2016

Water Infrastructure for the Nation Act contained several far-reaching provisions related to Western water policy which Senator Feinstein directly negotiated. The legislation is seen as the most significant California water bill in 25 years. In 2020, EMWD awarded Senator Feinstein with its Water Champion award to recognize her unwavering support for EMWD's water infrastructure initiatives.

In announcing earlier this year that she planned to retire at the end of her current term, in 2025, Feinstein said: "Each of us was sent here to solve problems. That's what I've done for the last 30 years, and that's what I plan to do for the next two years. My thanks to the people of California for allowing me to serve them."

As a tribute to Senator Feinstein's decades of tireless commitment, dedication, and leadership on California water issues, EMWD has written to the Metropolitan Water District of Southern California (Metropolitan) requesting their consideration in naming the Colorado River Aqueduct after her.



LAPHONZA BUTLER SWORN IN AS CALIFORNIA SENATOR; ANNOUNCES SHE WILL NOT SEEK A FULL TERM

On October 3, 2023, Laphonza Butler was sworn into the Senate to succeed the late Senator Dianne Feinstein. Butler, who was tapped by Governor Newsom for the post, was most recently the president of Emily's List – an organization dedicated to electing Democratic pro-choice women. Before her stint running Emily's List, Butler was best known in California as a longtime labor organizer based in Los Angeles who led the statewide operation of the powerful Service Employees International Union. She then worked as a political strategist for candidates, including then-Senator Kamala Harris' presidential campaign, and corporations such as Uber and Airbnb.



Butler is the third African American female senator in history and will hold the seat for the remainder of Senator Feinstein's term and face an election in January 2025. Sixteen days after she was sworn in, Senator Butler announced that she will not seek a full term. Her decision ended speculation that she would scramble an already fierce contest, which features three high-profile Democrats including Representatives Adam Schiff, Katie Porter, and Barbara Lee—jostling for the once-in-a-lifetime job.

Butler was appointed to the Senate Judiciary; Homeland Security; and, Banking and Financial Services committees. On October 12, 2023, EMWD submitted a letter to congratulate and welcome our newest U.S. Senator Laphonza Butler. The letter provided a brief overview of EMWD and some of its federal priorities, as well as, invited her to visit EMWD for a tour.

NAPOLITANO ANNOUNCES RETIREMENT FROM CONGRESS

On July 8, 2023, Representative Grace Napolitano (D-CA), long-time champion of California and vocal advocate for advancing water recycling, announced she will be retiring from Congress at the end of her current term. At 86, Napolitano is the oldest member of the House. She was first elected to the San Gabriel Valley Congressional district seat in 1998, after serving in the California Assembly.

Napolitano, the daughter of a Mexican immigrant raised in Brownsville, Texas, is the former chair of the Congressional Hispanic Caucus. As a senior member of subcommittees overseeing water policy on both the House Transportation and Infrastructure (T&I) Committee and House Natural Resources Committee, Napolitano is a staunch advocate for water recycling and the preservation of aquifers for groundwater storage. Representative Napolitano announced her endorsement for State Senator Bob Archuleta after announcing her retirement.

SENATOR PADILLA APPOINTED TO THE SENATE ENERGY AND NATURAL RESOURCES COMMITTEE

Senator Feinstein's passing, set off a small committee assignment reshuffling, which led to Senator Alex Padilla being appointed to the Senate Energy and Natural Resources Committee. The Energy and Natural Resources Committee has jurisdiction over national energy policy (Department of Energy), western water and drought (USBR), public lands (U.S. Bureau of Land Management), forest management and national parks (Forest Service and National Park Service), and territorial affairs (U.S. Bureau of Insular Affairs). Senator Padilla also serves on the Environment and Public Works (EPW) Committee – where he Chairs the Subcommittee on Fisheries, Water, Wildlife. The Senate EPW Committee oversees USEPA water, air, and climate policy; the USACE, and the Fish and Wildlife Service, among other agencies. Senator Padilla's service on these two key committees with jurisdiction of water resources related issues is establishing his credentials as California's "go-to" Senator on policy matters previously championed by the late Senator Dianne Feinstein.

REPRESENTATIVES TAKANO, CALVERT, AND ISSA ADVANCE \$4.86 MILLION IN EARMARK FUNDING FOR EMWD PROJECTS

EMWD is on track to receive approximately \$4.86 million in federal earmark funding for four critical infrastructure projects that will improve groundwater quality and supply and provide safe and reliable wastewater service throughout its service area. Representatives Mark Takano, Representative Ken Calvert, and Representative Darrell Issa specifically recommended these projects for inclusion in the fiscal year 2024 Interior-EPA spending bill after receiving project proposals from EMWD early in the year. EMWD's projects that were included in the most recent House Interior-EPA spending bill are:

- \$2.3 million for the Water Booster Plant Improvements Project (Representative Calvert)
 - This project will improve the reliability, resiliency, and security of water supply to EMWD customers through the enhancement of several potable water supply booster stations. These upgrades will ensure that pressurized water in the communities that EMWD serves is not compromised during a public safety event.
- \$959,752 for the Cactus II Feeder Project (Representative Takano)
 - This project, which will improve water pressure through the installation of transmission pipelines, will stabilize the distribution system, increase supply capacity, and support future growth.
- \$959,752 for the PWR project (Representative Takano)



- This project will use ultrafiltration and reverse osmosis to purify recycled water to replenish the local groundwater basin, where it will one day become an important local drinking water source for EMWD.
- \$638,540 for the French Valley Water Recycling (Representative Issa)
 - Funding for this project will be used to complete three recycled water pipeline sections in key areas of the French Valley community that are currently being supplied with potable water. This project will help offset approximately 200-300 acre feet per year of existing potable water, which is enough potable water to support nearly 400 homes.

No other water agency received a larger total amount of funding in this spending measure under the USEPA State and Tribal Assistance Grant account.

All four EMWD earmarks are pending finalization in a House/Senate fiscal year 2024 Interior-EPA appropriations measure. With Congressional completion of its fiscal year 2024 annual spending bills is more uncertain this year than in prior years, EMWD will be monitoring the situation closely in the hopes an fiscal year 2024 budget agreement on Capitol Hill will ultimately come together.

As the Congressional process to develop, advance, and advocate for annual earmark grant projects requests is very intensive, EMWD staff and officials involved should be recognized for the hard work in crafting applications under very aggressive deadlines, conducting all important follow up activities, and direct engagement with each federal office.

EMWD RECEIVES \$4.5M THROUGH BIPARTISAN INFRASTRUCTURE LAW FOR DESALINATION PROGRAM

In late February 2023, EMWD learned it was awarded over \$4.5 million by USACE to further expand its groundwater desalination infrastructure. The multi-million award listed in the USACE's fiscal year 2023 Work Plan was significant as it was the largest environmental infrastructure allocation in the nation for a project that did not receive earmark funding.

It is also noteworthy to highlight that USACE only allocated \$17.85 million nationwide in discretionary funding for environmental infrastructure projects in its fiscal year 2023 Work Plan. Of that amount, EMWD's South Perris desalination initiative received \$4.52 million, which equates to 25.3 percent of the total fiscal year 2023 USACE Work Plan environmental infrastructure nationwide allocation.

This federal allocation will allow EMWD to complete Phase 2 of the Valley Boulevard and Murrieta Road pipeline project in Menifee. The pipeline will deliver untreated water to EMWD's desalination facility.

EMWD is completing work on its Perris II Desalter, which began producing water this year and will greatly expand the use of



groundwater in EMWD's local communities. The groundwater in this area is salty and must be treated through reverse osmosis desalination before being utilized in the drinking water system.

EMWD's desalination program includes desalters, groundwater wells, pipelines, and connections to the Inland Empire Brine Line, which exports tens of thousands of tons of salt from the region each year and ultimately discharges it into the ocean.

EMWD extended gratitude to the USACE as well as EMWD's entire Congressional Delegation for their letters of support for this funding allocation. This award would not have been possible without the long-standing endorsement of EMWD's Congressional Delegation for this important initiative. Over the last three fiscal years (2021, 2022, and 2023), the South Perris Groundwater Desalination project has received almost \$13.8 million from the USACE. As an USACE environmental infrastructure project, this three-year level of funding puts EMWD's desalination project in a unique category in that only one other El project in the country has received more funding over this same period.

EMWD'S SOUTH PERRIS FISCAL YEAR 2024 WORK PLAN REQUEST

EMWD is currently requesting \$5 million to be included in the upcoming fiscal year 2024 USACE Work Plan. As part of the advocacy process, EMWD has met with the USACE officials in the Los Angeles District, the South Pacific Division, and USACE headquarters in Washington, DC. Should EMWD receive fiscal year 2024 funding, those dollars will be used to drive the next expansion of the Perris II Desalter, which includes completion of the Valley Boulevard Transmission Pipeline and initiate siting work for future brackish wells.

USACE SIGNING CEREMONY WITH LOS ANGELES DISTRICT COMMANDER

On July 7, 2023, EMWD hosted Colonel Julie Balten, Commander of the Los Angeles District of the USACE and her staff for a ceremony to sign and commemorate the Project Partnership Agreement between EMWD and USACE. This agreement kicks off the next phase of work on EMWD's desalination program, where the USACE will continue to contribute 75 percent of the costs. The Project Partnership Agreement covers incremental advancement of design and construction projects that drive the next expansion of the Perris II Desalter (Phase 2). The Phase 2 expansion will add another 5.4 million gallons per day (MGD) of water supply to EMWD's Desalination Complex (currently producing 13.4 MGD) for a total of approximately 19 MGD. The funding of these activities is possible through the additional \$25 million Water Resources Development Authorization that EMWD successfully advocated for in 2020, but appropriations come annually through the USACE Work Plan budget process or via Congressionally Directed funding.



WATER RESOURCES DEVELOPMENT ACT 2024 ADVOCACY EFFORT TO INCREASE SOUTH PERRIS DESALINATION AUTHORIZATION UNDERWAY

Due to EMWD's success in securing annual USACE funding over the past several fiscal years for its South Perris Groundwater Desalination initiative, EMWD is pursuing a second increase to the project's original Congressional authorization through the upcoming Water Resources Development Act of 2024 (WRDA 2024). This successful project, which has been advanced through an excellent partnership with USACE, was first authorized by Congress in 2000 at a level of \$25 million. In 2018, when EMWD was expecting to soon exhaust its original authorization cap, it undertook a multiple year federal advocacy effort to increase the project's authorization level to \$50 million. The advocacy effort successfully concluded with EMWD's project authorization modification provision being included in the Water Resources Development Act of 2020 that was signed into law in late December of 2020.



As EMWD believes federal funding for the project could approach the current USACE authorization cap in two to three years, it is currently working with its Senate and House Congressional Delegation members on a WRDA 2024 provision that would increase its existing USACE authorization level to \$100 million. The Senate EPW Committee was the first to kick start its WRDA 2024 process this past summer. Shortly thereafter, the Chair and Ranking Member of the panel directed Senate offices to submit their priority project requests to the Committee by late October 2023. Shortly after this action, Senators Padilla and Feinstein's offices created a formal WRDA 2024 application submission portal for California entities wishing to submit a USACE feasibility study or project authorization request. In mid-September 2023, EMWD submitted its WRDA 2024 project authorization modification application request to both Senator Padilla and former Senator Dianne Feinstein's offices. EMWD also met with the Senator's offices in late September 2023 to discuss the project request directly with key staff.

The House T&I Committee opened the WRDA 2024 Member request portal on December 11, 2023, and will likely complete the solicitation process in early 2024. During that period, like the Senate EPW Committee, the House T&I Committee will provide House Member offices with an application questionnaire. EMWD is watching the House process closely as it plans to submit its WRDA 2024 South Perris Groundwater Desalination project authorization increase request to its four member House Delegation (Representatives Calvert, Issa, Ruiz, and Takano). As of the publishing of this report, Takano is accepting suggested language for WRDA 2024, and the other House members should open their process very soon.

In addition, EMWD Board leadership and staff met directly with its House Delegation members during its second Washington, D.C. advocacy fly-in trip in mid-November 2023. Staff met with Representatives Calvert, Issa, Ruiz, and Takano, as well as, staff from Senators Bulter's and Padilla's offices. They also met with key individuals at the USACE Headquarters to discuss next steps to advance EMWD's desalination program and critical committee staff regarding EMWD's requested \$50 million authorization modification for the desalination program. Other priority initiatives included promoting reauthorization of the Low-Income Household Water Assistance Program (LIHWAP) and a Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) exemption for water and wastewater agencies to ensure that our customers are not burdened with the cost of PFAS clean up.

The Senate EPW and House T&I Committees currently anticipate marking up their respective WRDA 2024 measures something in the spring of 2024.

EMWD RECEIVES VISIT FROM DEPARTMENT OF THE INTERIOR SECRETARY HAALAND AFTER PWR PROJECT IS AWARDED \$27.5M

As a result of EMWD's PWR project being awarded \$27.5 million in USBR grant funding in 2022, it was selected to receive a visit by Department of the Interior Secretary Deb Haaland for a briefing and tour of the planned PWR facilities.

Department of the Interior Secretary Haaland, Congressman Mark Takano (CA-39th), and staff from the Department of the Interior and USBR met with EMWD officials and regional dignitaries such as leadership from the Soboba Band of Luiseño Indians, for a briefing at EMWD's headquarters on August 3, 2023. The briefing provided an overview of EMWD's PWR program, which will use ultrafiltration and reverse osmosis to purify recycled water and use it to replenish the local groundwater basin, where it will one day become a drinking water source.

Following the briefing, Department of the Interior Secretary Haaland, Representative Takano, Department of the Interior staff and USBR staff visited EMWD's San Jacinto Valley Regional Water Reclamation Facility, where the planned Advanced Water Purification Facility for PWR will be constructed. EMWD anticipates beginning construction on the Advanced Water Purification Facility in 2024.



In 2022, USBR awarded EMWD's PWR project \$10 million in funding through the Title XVI funding included in the Bipartisan Infrastructure Law. Also in 2022, EMWD received an additional \$17.5 million for the project through annual funding provided by Congress for the USBR's Title XVI Water Infrastructure Improvements for the Nation (WIIN) Act grant program.

EMWD routinely meets with its legislative officials, but Secretary Haaland's visit marked the highest-ranking administration official to tour an EMWD facility in the organization's 73-year history.

CONGRESS AVERTED ONE GOVERNMENT SHUTDOWN WHILE ANOTHER ONE LOOMED

It was a turbulent year on the annual Congressional appropriations front. Complicating matters was the decision by House Republicans in mid-June 2023 to cut fiscal year 2024 appropriations spending below the caps established in a bipartisan debt limit bill that was signed into law less than two weeks prior. That news sparked outrage among Congressional Democrats and raised questions about eventual bicameral negotiations. Further muddling the situation, the House GOP also added scores of policy related add-ons to their fiscal year 2024 Appropriations measures, which are broadly opposed by Democrats in both chambers.

With the Senate adhering to the top-line spending levels set in the debt limit deal for their fiscal year 2024 appropriations bills, bridging the gap to achieve a House-Senate compromise agreement will be extremely challenging.

As the September 30, 2023, close of the current fiscal year date approached, and neither the House nor the Senate were even close to clearing the 12 appropriations measures through their respective chambers, a short-term continuing resolution would be needed to avert a government shutdown. While negotiations on the stopgap continuing resolution went down to the wire, a deal was reached at the last moment, which would keep the federal government funded through November 17, 2023.

However, as outlined earlier in this report, the deal making with President Biden and Senate Democrats by then Speaker Kevin McCarthy (R-CA) to enact the stopgap continuing resolution led to a small band of hard right House Republicans successfully bringing down McCarthy's speakership reign.

With a new Speaker in place (Representative Michael Johnson of Louisiana), all eyes were on the approaching November 17, 2023, continuing resolution deadline. Moreover, pressure is building for Congress to also add to the next continuing resolution over \$100 billion in emergency funding for the wars in Ukraine and Israel (along with supplement border funding).

Whatever the outcome will be on the second continuing resolution, it appears exceedingly unlikely that Congress will finalize the fiscal year 2024 appropriations process before the end of the calendar year. In key circles, the larger question has become whether Congress can come to an agreement on its spending measures sometime in early 2024 or will it resort to a full year continuing resolution to resolve the budget impasse.

SENATOR PADILLA HOLDS HEARING ON WATER AFFORDABILITY AND READIES LEGISLATION TO ESTABLISH LOW-INCOME HOUSEHOLD WATER ASSISTANCE GRANT PROGRAM

On May 31, 2023, the Senate EPW Subcommittee on Fisheries, Water, and Wildlife, chaired by Californian Senator Alex Padilla, held a hearing entitled "Water Affordability and Small Water Systems Assistance." In the hearing, Members and witnesses discussed ways aging infrastructure, rising water rates, and natural disasters are negatively impacting water affordability in the nation. Chair Padilla started the hearing by underscoring the fundamental and universal need for water—the foundation for strong and healthy communities, economies and families—especially for disadvantaged communities, which frequently lack adequate staffing and the financial capacity to make necessary upgrades. Padilla asserted that all Americans should have access to clean and safe drinking water and urged Congress to work towards this goal. Chair Padilla also spoke about the disproportionate impacts of rising water rates on low-income communities. He emphasized the importance of making permanent the LIHWAP, a pilot program that assists low-income and rural communities with accessible water.



A month prior to the hearing, the American Water Works Association, Association of Metropolitan Water Agencies, National Association of Clean Water Agencies, National Association of Water Companies, and Water Environment Federation released formal policy recommendations to Congress and the White House where the groups recommended the establishment of a permanent program that would build upon the existing Low Income Household Water Assistance Program (LIHWAP) at the U.S. Department of Health and Human Services (HHS). In 2020 and 2021, Congress appropriated \$1.1 billion to the HHS to provide water and wastewater bill assistance to low-income households burdened by the economic consequences of the pandemic. By many accounts, this temporary Covid assistance program was well implemented and viewed as successful.



Padilla tipped his hand at the hearing that he planned to introduce legislation on this topic sometime in the 118th Congress. Toward that end, Senator Padilla's office circulated a draft bill that would establish a permanent federal program to assist low-income households in paying arrearages for drinking water or wastewater services. The draft measure, titled the "Low-Income Household Water Assistance Program Establishment Act," would create a federal formula based, state-administered, funding assistance program which would initially start under the Department of Health and Human Services and then be transferred to the Environment Protection Agency (EPA). The draft legislation directs HHS/EPA to establish a grant formula allotment to each state - as well as Indian Tribes and Territories - based off of criteria outlined in the bill which defines eligible low-income households. As currently written, the draft does not authorize a specific annual funding level. At the writing of this report, Senator Padilla's office is accepting feedback on his draft from stakeholders and EMWD provided the Senator's office with its input. Senator Padilla will be introducing the measure before end of the year, however prospects for advancing the legislation in the highly divided 118th Congress is unlikely.

FEDERAL PFAS ACTIVITY HEATS UP AT USEPA AND CONGRESS

Activity in Washington to address PFAS contamination in the nation's water systems through federal regulation continued to build in 2023. The two most important regulatory actions in this area are:

1. EPA's push to establish a revised maximum contaminant limit (MCL) for PFOA and PFOS, with other PFAS chemicals under consideration.
2. EPA's proposed regulation to designate PFOA and PFAS as hazardous substances under CERCLA, more commonly known as Superfund.

The following is a summary of the major actions that have transpired over the course of this year on those topics:

USEPA ISSUES PROPOSED RULE TO ESTABLISH NEW MAXIMUM CONTAMINANT LIMIT FOR PFOA AND PFOS

On March 14, 2023, USEPA announced a proposed National Primary Drinking Water Regulation that would set a limit of 4 parts per trillion (ppt) as the maximum drinking water contaminant limit for PFOA and PFOS. The proposed rule also implements a strategy to regulate four additional PFAS chemicals (PFHxS, PFNA, PFBS, and HFPO-DA), to determine if their combined levels require action.

If implemented, the rule would require public water systems to monitor for the chemicals and take action to reduce the PFAS pollution if contamination levels surpass the limits. As laid out in the draft rule, water systems would have three years to be in compliance with the maximum containment levels. USEPA expects the rule to be finalized by the end of 2023.

At a May 4, 2023, USEPA public hearing on the draft rule, trade associations representing water utilities challenged USEPA's estimate that the total annualized costs of the regulation would range from \$772 million to \$1.2 billion. The American Water Works Association (AWWA) estimated the national cost for water systems to install treatment systems to remove PFOA and PFOS to levels required by the USEPA proposal would exceed \$3.8 billion annually. AWWA stated that the rule as proposed would require more than 5,000 water systems to develop new water sources or install advanced treatment technologies. Another 2,500 water systems in states with established standards would need to adjust their existing PFAS treatment systems.

EMWD SUBMITS COMMENTS ON USEPA'S PROPOSAL RULE TO ESTABLISH MCL FOR PFAS

On May 30, 2023, EMWD submitted comments on USEPA's National Primary Drinking Water Regulation Rulemaking for PFOA and PFOS substances. In its comments, EMWD underscored the importance of providing customers with a safe and reliable water supply but took issue with the impact that implementing the rule will have on its water ratepayers. EMWD asserted that the cost burden for cleanup should be placed on the polluters, not its customers. In addition, we urged USEPA to place a greater focus on preventing PFAS from entering the environment through improved product management and stewardship. Lastly, EMWD urged USEPA to extend the compliance deadline to five years because three years is not adequate to design, permit, and construct a treatment facility, and financially this pace of infrastructure development would be challenging. Once final, this rule will have far reaching impacts that among other things will require modifications at our desalination complex, and potential reevaluation of key elements of EMWD's PWR program.

WATER UTILITIES CONCERN OVER PROPOSED PFAS CERCLA DESIGNATION RULE SPURS SENATE BILL

In August 2022, USEPA announced plans to designate two of the most common PFAS — PFOA and PFOS — as hazardous substances under CERCLA. If finalized, this designation could put drinking and clean water utilities at risk of incurring cleanup costs even when they have taken the proper steps to remove and dispose of the chemicals. Wastewater, water recycling, and stormwater utilities could be at risk because they receive PFAS chemicals through the raw influent that arrives at the treatment plant or through municipal stormwater runoff. However, as water and wastewater facility operators like EMWD are “passive receivers” of PFAS-containing material they should not be liable through CERCLA which aims to hold true polluters accountable. However, USEPA has expressed that the law does not allow the agency to provide a wholesale exemption from a PFAS CERCLA designation to the water sector but has vowed to use “enforcement discretion” when deciding which entities it will hold liable under a final CERCLA regulation.

Not satisfied with such uncertainty, federal, state, and regional water associations, along with individual water agencies like EMWD, have called on Congress to advance legislation to exempt water systems from USEPA's pending PFAS CERCLA designation rule.

EMWD ENDORSES U.S. SENATE BILL INTRODUCED TO PROTECT WATER AGENCIES FROM PFAS LIABILITY

Responding to this call from the water sector, Senator Cynthia Lummis (R-WY) introduced legislation in early May 2023, which will exempt water and wastewater treatment facilities from CERCLA. The measure, called the Water Systems Liability PFAS Protection Act (S. 1430), was one of five PFAS “passive receiver” exemption bills introduced by Lummis meant to protect specific industries from unintended liability or costs which could result from the chemicals being designated by USEPA as hazardous substances under CERCLA.

S. 1430, the Water Systems Liability PFAS Protection Act, is cosponsored by seven Republican Senators. The associations, which have endorsed the Water Systems Liability PFAS Protection Act include: The Association of Metropolitan Water Agencies, American Water Works Association, WateReuse Association, National Association of Clean Water Agencies, National Rural Water Association, and the Water Environment Federation.

Immediately after the introduction of S. 1430, EMWD weighed in with a letter of support for the legislation as it would explicitly shield drinking and clean water systems from CERCLA liability and cost for cleanups at sites where a water system disposed of treatment residuals that contain PFAS.

EMWD also wrote to Senators Feinstein and Padilla requesting their support for legislation that would add liability protections under CERCLA for water, wastewater, and water recycling systems associated with PFAS substances.

EMWD AND WATER ASSOCIATIONS REQUEST SENATE EPW COMMITTEE INCLUDE PFAS CERCLA EXEMPTION IN LEGISLATION

Shortly after the introduction of S. 1430 (Lummis bill), the leadership of the Senate EPW Committee announced their intention to publicly release a draft PFAS related measure and would solicit stakeholder input.

In response to this development, a number of water sector and local government associations submitted a letter to Senate EPW Committee Chair Tom Carper (D-DE) and Ranking Member Shelley Moore Capito (R-WV) urging that any PFAS related legislation that the Committee takes up in this Congress should include a provision to provide a narrow exemption for water and wastewater utility providers under CERCLA. Signers of the letter included WateReuse, California Association of Sanitation Agencies, National Water Resources Association, National Association of Counties, and National League of Cities.

On June 21, 2023, the Senate EPW Committee released a bipartisan discussion draft bill related to PFAS substances. While the legislation directs the USEPA to finalize maximum contaminant levels for certain PFAS, it is largely non-regulatory in nature. However, a Senate EPW Committee aide stated that “This is not the final bill,” in response to questions on whether the drafters of the bill are flexible in making changes, including adding in CERCLA liability exemptions to the legislation.

Shortly after the release of the Senate EPW Committee PFAS discussion draft, EMWD submitted comments to Chair Carper and Ranking Member Shelley Moore Capito requesting that the introduced legislation include CERCLA liability protection for passive receivers of PFAS, among other items. However, since the Committee’s discussion draft release this past summer, the introduction and markup of a final bipartisan Senate EPW Committee PFAS legislative package has been stalled over the inclusion of a provision which exempts water and wastewater providers, along with other passive receivers, from pending USEPA PFAS CERCLA designation regulations.

HOUSE MEMBERS URGE USEPA TO REOPEN USEPA PFAS CERCLA RULE COMMENT PERIOD

On September 13, 2023, the House Energy and Commerce Committee Chair Cathy McMorris Rodgers (R-WA) and the Energy and Commerce Subcommittee on Environment, Manufacturing, and Critical Materials Chair Bill Johnson (R-OH) sent a letter to USEPA asking that they reopen the comment period on the proposed rule to designate PFOA and PFOS as hazardous substances under the CERCLA. The letter urges USEPA to provide an additional 60 days to give the public more time to review the adverse implications the potential rule could pose. The letter also highlights that USEPA has not used its CERCLA authority in this fashion in over 40 years and emphasizes the need to “ensure an objective and transparent accounting and weighing of the costs and benefits of this proposal.”

EMWD SUBMITS PFAS CERCLA COMMENT LETTER

On August 11, 2023, EMWD submitted comments to the USEPA regarding the agency’s April 13, 2023, proposed rulemaking that would add seven additional PFAS chemicals and PFAS precursors as CERCLA hazardous substances. EMWD’s comments were focused on the importance of enforcing the “polluters pay” principle to avoid shifting any PFAS cleanup burden or liability to its customers. EMWD also suggested that USEPA should thoughtfully consider the costs to water and wastewater utilities of regulating these additional PFAS substances, and that USEPA should not regulate PFAS precursors until standard testing methodologies are available. This is one of many letters EMWD is submitting at the state and federal level on PFAS.

USEPA ANNOUNCES FUNDING FOR EMERGING CONTAMINANTS

On February 13, 2023, USEPA announced \$2 billion in funding through the Bipartisan Infrastructure Law for the Emerging Contaminants in Small or Disadvantaged Communities (EC-SDC) Grant Program. States and territories can use the funding to address emerging contaminants such as Per- and Polyfluoroalkyl Substances (PFAS) in drinking water. California’s statewide allocation for this round of funding – which is an allocation that includes both the fiscal year 2022 and fiscal year 2023 amount – is \$169,115,000. USEPA additionally released the Emerging Contaminants in Small or Disadvantaged Communities Grant Implementation document to provide implementation guidance for the use of funding to address water quality challenges. States are allowed to define what constitutes “disadvantaged communities” based on affordability criteria they develop, and USEPA subsequently approves. The announcement was accompanied by the formalization of implementation guidance which has allowed states to develop and submit “work plans”. In California, these USEPA funding dollars are being routed through the California State Water Resources Control Board.

CALIFORNIA REPUBLICANS REINTRODUCE AND ADVANCE WATER LEGISLATION IN THE HOUSE

In January 2023 Representative David Valadao (R-CA) reintroduced H.R. 215, the “Working to Advance Tangible and Effective Reforms (WATER) for California Act.” The bill, which is supported by all the Republicans in California’s delegation, including Representative Ken Calvert, would mandate the Central Valley and State Water Projects promote more water deliveries to farmers under a 2019 Trump-era biological opinion. The legislation also calls for the reauthorization of the surface water storage project grant program and coordinated operations of the Central Valley Project and State Water Project established under the WIIN Act.

While the legislation passed out of the House Natural Resources Committee on April 27, 2023, it faces an uncertain future in the Senate. The team will continue monitoring for any further developments.

On June 21, 2023, EMWD joined Elsinore Valley Municipal Water District and Western Municipal Water District on a letter supporting H.R. 215 specific to the legislation's provision to reauthorize the water storage element of the WIIN Act of 2016. The letter abstains from comments on the merits of the other provisions of the bill.

HOUSE PANEL DEBATE ON WEST-WIDE WATER SOLUTIONS DISPLAYS RECURRENT CLASH ON APPROACH

A House Natural Resources Subcommittee hearing on March 28, 2023, displayed persistent disagreements over how to manage water in the West. GOP and Democratic members of the House Natural Resources Committee clashed on how best to salvage dwindling water resources in the drought-stricken West. During a hearing of the Subcommittee on Water, Wildlife and Fisheries, Republicans stated the Biden administration is part of the problem on water storage due to the Administration's opposition to some new storage or handcuffing new or expanded facilities with red tape. The GOP members cited several projects in California that would build or expand reservoirs or raise dams, including the Sites Reservoir and Shasta Dam.

But the top Democrat on the subcommittee, Representative Jared Huffman of California, stated his view that many Republican solutions — like wanting to build or expand dams — are more impeded by their exorbitant cost than by environmental laws. Huffman argued that “21st-century solutions” like groundwater storage, water reuse, recycling and even desalination are more cost-effective.

The hearing came as the West was experiencing weather whiplash. Years of drought gave way this past winter to a deluge of rain and snow in California, filling reservoirs and other storage facilities. Many witnesses at the hearing said that Western states need to come up with a better strategy to capture water when it rains.

As it relates to the raising of Shasta Reservoir, advocates at the hearing stated it would provide 634,000 acre-feet of additional storage, while environmental groups argued that raising the dam would flood protected lands and harm a trout fishery and chinook salmon. The effort remains stalled.



SENATOR FEINSTEIN INTRODUCES STREAM ACT

On June 22, 2023, Senator Dianne Feinstein, joined by Senators Mark Kelly (D-AZ) and Kristen Sinema (D-AZ), introduced S. 2162, the Support To Rehydrate the Environment, Agriculture, and Municipalities Act (STREAM Act). S. 2162—which was also introduced in the 116th and 117th Congresses, is a comprehensive reauthorization of several of the 2016 WIIN Act USBR Western water programs. The measure would reauthorize the Title XVI competitive grant program for water recycling and reuse projects at \$60 million a year over five years and raise the per project cap

from \$20 million to \$50 million. This provision is of specific importance to EMWD as it would allow EMWD to pursue additional Title XVI for its Purified Water Replenishment project. The measure also reauthorizes the USBR grant program and water storage program, among several other provisions.

As it did in the last two Congresses, EMWD formally endorsed the STREAM Act.

SUPREME COURT RULING UPENDS WATERS OF THE UNITED STATES (WOTUS)

In its May 25 2023, decision in the Sackett v. USEPA case, the U.S. Supreme Court severely reduced the reach of USEPA's and the USACE's jurisdiction under the Clean Water Act (CWA). The five-justice majority opinion found that USEPA's view of wetlands jurisdiction applied to the Sackett property was too expansive. The ruling provides a very clear standard that substantially restricts the federal government's ability to regulate certain types of wetlands and streams. According to the Court, "waters of the U.S." (WOTUS) should only include those relatively permanent, standing or continuously flowing bodies of water forming geographic(al) features (i.e. streams, oceans, rivers, and lakes). Importantly, the Court ruled that, according to its clear read of the CWA, wetlands which do not have a continuous surface connection with a navigable water are not federally jurisdictional.

However, the majority opined that WOTUS does include some wetlands, but not all. Wetlands adjacent to a WOTUS (i.e., wetlands that are "as a practical matter indistinguishable from" a WOTUS, such that it is "difficult to determine where the 'water' ends and the 'wetland' begins") are considered a WOTUS. But wetlands that are separate (i.e., where there is a "clear demarcation") from traditional navigable waters cannot be considered a WOTUS, even if they are located nearby.

EMWD has been deeply invested in the WOTUS rules and litigation for years because our water recharge ponds and other facilities adjacent to the San Jacinto River could also be defined as WOTUS under certain interpretations, which could dramatically limit our ability to operate and maintain these critical facilities.

USEPA AND USACE, FORCED TO REVISE ITS WOTUS RULE IN LIGHT OF SUPREME COURT SACKETT DECISION

The Supreme Court's Sackett ruling, which severely narrowed the scope of what the federal government can consider as "waters of the U.S.," forced the Biden Administration to amend the more expansive WOTUS rule which USEPA and the USACE issued earlier in the year.

On August 29, 2023, USEPA and USACE announced a final rule amending the 2023 definition of "waters of the United States" to conform with the recent Supreme Court decision in Sackett v. USEPA. The new waters of the U.S. rule, or WOTUS, requires that wetlands and other smaller bodies only qualify if they have a "relatively permanent" connection to more prominent waters. That discounts waters that run only seasonally or after rainfall, with major implications for the arid West, along with other areas that have connections running under the ground's surface.

In unveiling the revised rule, USEPA Administrator Michael Regan said he was "disappointed by the Supreme Court's decision" but that his office and the USACE "have an obligation to apply this decision alongside our state co-regulators, tribes and partners."

The updated rule is only 20 pages long and strikes major protections nationwide, some of which have been in effect since the Reagan era. The new rule applies to even fewer areas, in keeping with Sackett's parameters. However, groups such as the American Farm Bureau Federation, the National Mining Association and other industry groups have already expressed major qualms with the USEPA/USACE rule revision, arguing that it creates regulatory confusion. One leading criticism centers on the latest rule's unclear definition of "relatively permanent," something objectors say the Biden administration should have defined in the regulation. GOP members are already eyeing possible legislation striking again at the new rule, despite prior failures to overturn the now defunct definition. Industry lawsuits are likely to rage on regardless of movement on Capitol Hill.

HOUSE DEMOCRATS INTRODUCE CLEAN WATER ACT BILL

In reaction to the Sackett decision, on October 18, 2023, Democratic leaders of the House T&I Committee introduced The Clean Water Act of 2023 (H.R.5983). The intent of the bill is to more clearly define the federal government's jurisdiction under the Clean Water Act and undercut the Supreme Court's Sackett decision, which narrowed the authority of USEPA and the USACE to regulate wetlands and ephemeral streams. The bill would look to codify some permitting exemptions. Even though the bill has support from 117 lawmakers, there is no expectation it will move in a Republican controlled House or even the Senate where moderate Democrats are unlikely to support the measure.

In the short term, the Sackett decision has provided clarity on this decades long battle to delineate which U.S. water bodies the federal government should be allowed to regulate. However, the partisan nature of this issue means Congress will continue to debate – and attempt to advance legislation – on the topic.

DEPARTMENT OF INTERIOR AND BASIN STATES ENGAGE IN MAJOR COLORADO RIVER CONSERVATION NEGOTIATIONS



In late May, following nearly a year of negotiations among the seven states that share the Colorado River, officials from the Lower Basin — Arizona, California, and Nevada — announced a proposal to shore up Lake Mead and Lake Powell between now and 2026, preserving the river both for electricity generation at dams and providing water to millions of Western residents.

The proposal called for conservation of 3 million acre-feet - an amount equal to 13 percent of the river allotment for the three states - by the end of 2026. The reductions would come through conservation efforts or temporary programs like fallowing agricultural land. How the states will arrive at the cutbacks will ultimately be up to them - along with regional and local water managers – although the federal government

will foot the bill for most of the effort, paying for the cuts up to 2.3 million acre-feet. The estimated cost of \$1.2 billion will come from funds included in the Inflation Reduction Act for drought mitigation efforts. As part of the deal, the Department of Interior agreed to shelve a process it had been considering whereby Department officials would dictate to the Basin states specific cuts to their allocations of Colorado River water.

By mid-August 2023, in light of the winter's bountiful snowfall and rain and the lowest releases of Lake Mead water in 30 years, good news came to the Lower Basin States when the USBR announced an easing of water allocation reductions for 2024. Due to higher-water levels in the Lake Mead reservoir, the USBR announced it will revert to a Tier 1 water shortage in 2024 which will ease water cuts for Arizona and Nevada, which means California will not be required to give up any of its water.

Per the deal strike with the USBR in May 2023, the Lower Basin states are currently negotiating water retrenchments in exchange for federal funding provided through the Inflation Reduction Act. The USBR is expected to announce funding awards for these projects at the end of the year.

While the early 2023 precipitation brought immediate relief, the challenges of a hotter, drier future and overuse of the Colorado river remain.

FEDERAL PROCESS ON FUTURE COLORADO RIVER WATER USE FORMALLY BEGINS

On June 16, 2023, the USBR published in the Federal Register a call for public comments on replacing the existing Colorado River governing agreement that dictates the river's water distribution rules to the Lower and Upper Basin states. The existing governing agreement for the operations of Lake Mead and Powell, which was formalized in 2007, is set to expire in 2026.

After a process of soliciting stakeholder input, on October 19, 2023, the USBR published a Proposed Federal Action and a Scoping Summary Report on Colorado River Basin operations post-2026. The USBR identified 10 primary public comment themes for the post-2026 process:

1. Supply and demand imbalance
2. Holistic approach and sustainable solutions
3. Scope of federal action
4. Terms of the guidelines
5. Roles of Upper and Lower Basins
6. Operation strategies
7. Tribal water rights
8. Conservation and storage programs
9. Augmentation
10. Parallel processes and programs



"As the Department works with those partners to stabilize the Colorado River in the short-term, we are also committed to ensuring the long-term sustainability of the Basin for decades to come based on the best-available science and with robust input from stakeholders across the West," Deputy Secretary of the Interior Tommy Beaudreau said in an October 2023 statement.

The USBR will now begin writing a draft environmental impact statement to create strategies that can withstand different hydrological conditions. That draft is expected to be finished by the end of next year, and a finalized version will be available in late 2025. A record of decision would come in early 2026.

HOUSE AND SENATE FUND KEY WATER PROGRAMS IN FISCAL YEAR 2024 APPROPRIATIONS MEASURES

While we are still several months away from Congress sorting out its final fiscal year (FY) 2024 Appropriations bills, this past summer the House and Senate Appropriations Committees advanced their respective versions of the twelve fiscal year 2024 spending measures.

A breakdown of the FY24 House and Senate funding levels of the USBR, Environmental Protection Agency, and USACE programs of most interest to EMWD are as follows:

USBR (OVERALL)

- Enacted FY23 level: \$1.95 billion
- House FY24 level: \$1.84 billion
- Senate FY24: \$1.92 billion

WIIN TITLE XVI

- Enacted FY23 level: \$20 million
- House FY24 level: \$20 million
- Senate FY24: \$20 million

LEGACY TITLE XVI

- Enacted FY23 level: \$40 million
- House FY24: \$10 million
- Senate FY24: \$10 million

WIIN DESALINATION

- Enacted FY23 level: \$12 million
- House FY24 level: \$12 million
- Senate FY24: \$12 million

WIIN WATER STORAGE

- Enacted FY23 level: \$134 million
- House FY24: \$134 million
- Senate FY24: \$134 million

WATERSMART GRANT PROGRAMS

- Enacted FY23 level: \$65 million
- House FY24 level: \$13.69 million
- Senate FY24: \$54.1 million

COLORADO RIVER DROUGHT CONTINGENCY (PROJECTS TO IMPROVE LONG-TERM EFFICIENCY OF OPERATIONS IN THE LOWER COLORADO RIVER BASIN)

- Enacted FY23 level: \$50 million
- House FY24 level: \$50 million
- Senate FY24 level: \$50 million

CONVEYANCE/CANAL SUBSIDENCE

- Enacted FY23 level: not less than \$17.5 million
- House FY24: not less than \$20 million
- Senate FY24: not less than \$20 million

ENVIRONMENTAL PROTECTION AGENCY (OVERALL)

- Enacted FY23 level: \$10.13 billion
- House FY24 level: \$6.173 billion
- Senate FY24: \$9.92 billion

CLEAN WATER SRF

- Enacted FY23 level: \$1.638 billion (minus \$TBD million due to earmark project funding)
- House FY24 level: \$535 million (minus \$470.1 million due to earmark project funding)
- Senate FY24 level: \$1.638 billion (minus \$345.1 million due to earmark project funding)

DRINKING WATER SRF

- Enacted FY23 level: \$1.126 billion (minus \$TBD million due to earmark project funding)
- House FY24 level: \$460.6 million (minus \$410.3 million due to earmark project funding)
- Senate FY24 level: \$1.126 billion (minus \$243.6 million due to earmark project funding)

SEWER OVERFLOW & STORMWATER REUSE GRANT PROGRAM

- Enacted FY3 level: \$50 million
- House FY24 level: \$50 million
- Senate FY24 level: \$50 million

ALTERNATIVE WATER SOURCE GRANT PROGRAM

- Enacted FY23 level: \$0
- House FY24 level: \$3 million
- Senate FY24 level: \$0

MID-SIZED & LARGE DRINKING WATER SYSTEM INFRASTRUCTURE, RESILIENCE, & SUSTAINABILITY PROGRAM

- Enacted FY23 level: \$5 million
- House FY24 level: \$5 million
- Senate FY24 level: \$5 million

WIFIA

- Enacted FY23 level: \$75.6 million
- House FY24 level: \$72 million
- Senate FY24 level: \$75.6 million

USACE (OVERALL)

- Enacted FY23 level: \$8.3 billion
- House FY24 level: \$9.57 billion
- Senate FY24: \$8.93 billion

USACE SECTION 219 PROGRAM FUNDING

- Enacted FY23 level: \$0 million (however, USACE allocated \$17.5 million in FY23 WP)
- House FY24 level: \$0
- Senate FY24: \$15.37 million

GENERAL MANAGER MOUAWAD PARTICIPATES IN WHITE HOUSE INFRASTRUCTURE GRANT ROUNDTABLE WITH REPRESENTATIVE RAUL RUIZ AND PRESIDENTIAL INFRASTRUCTURE ADVISOR MITCH LANDRIEU



On April 4, 2023, General Manager Mouawad attended an event at the Hemet Library hosted by Representative Raul Ruiz, that featured Senior Advisory to the President and Infrastructure Implementation Coordinator, Mitch Landrieu. This event, a White House Infrastructure Grant Roundtable, was focused on available grant opportunities from the Bipartisan Infrastructure

Law for local projects and initiatives. Participants asked questions and discussed the needs in their communities. Congressman Ruiz used EMWD as a good example of an agency that leverages federal funding on behalf of the community.



USBR LAUNCHES NEW LARGE-SCALE WATER RECYCLING GRANT PROGRAM WITH BIPARTISAN INFRASTRUCTURE LAW FUNDING



On September 7, 2023, the USBR announced the availability of funding through a new large-scale Title XVI water recycling program. In this initial funding round, the USBR is making \$180 million available for eligible water recycling and reuse projects which have a total estimated cost of \$500 million or greater. The new program will incentivize the construction of water recycling projects at a larger scale, with a 25 percent federal cost share (like the traditional Title XVI program), but with no cap on project size. EMWD is aware that the Metropolitan will be applying for funding through this USBR grant program as a means to help construct its Pure Water Southern California water recycling project. This new program was authorized by the Bipartisan Infrastructure Law, which also appropriated a total of \$450 million in funding. The grant funding opportunity has three separate application deadlines in 2023 and 2024.

USBR TITLE XVI BIPARTISAN INFRASTRUCTURE LAW NOTICE OF FUNDING OPPORTUNITY ANNOUNCEMENT

On September 29, 2023, the USBR released Notice of Funding Opportunities (NOFO)s making available up to \$179 million for water recycling and reuse projects under the WIIN Title XVI Program and \$64 million for Desalination Construction Projects for fiscal years 2023 and 2024. Unfortunately, the WIIN Title XVI NOFOs maintains the program's current per project funding cap of \$30 million. Due to inflation and other factors, the cost to construct water infrastructure projects has increased exponentially. As such, EMWD and the WaterReuse Association recently wrote to the USBR Commissioner Touton requesting she exercise her authority to raise the WIIN Title XVI per project cap to \$40 million. In EMWD's case, its PWR project has increased by 50 percent over a 2-year period.

The WIIN Title XVI and Desalination NOFOs outline two separate application deadline periods. For the fiscal year 2023 round, the application deadline is December 7, 2023. For the fiscal year 2024 round, the deadline is September 30, 2024. As EMWD has thus far been awarded \$27.5 million in Title XVI funding for its PWR project, it is still eligible to apply for an additional \$2.5 million in grant dollars through the program, and applied for these funds from the USBR in early December 2023.



FEMA ANNOUNCES CYBERSECURITY FUNDING FOR STATE AND LOCAL GOVERNMENT

In August 2023, FEMA announced \$379.4 million in funding for its State and Local Cybersecurity Grant Program to assist states and localities in combating cyber threats. The funding is allocated through the states, and to be eligible, states must establish a “State Administrative Agency” to manage the program. It is required that 80 percent of the funding is sub-allocated to local governments, of which special districts are specially mentioned as eligible entities.

USEPA WITHDRAWS WATER CYBER MANDATE

On October 11, 2023, USEPA issued a memorandum withdrawing its March 2023 proposed cybersecurity rule mandating water utilities to increase cybersecurity operations. The rule would have required utilities to incorporate cybersecurity into routine audits of water systems, known as sanitary surveys. USEPA withdrew the rule after GOP-led Attorneys Generals filed litigation, and industry expressed concern the proposed rule would have burdened small and rural water utilities and increased costs associated with the change.

STAFF REPRESENTING EMWD IN FEDERAL AFFAIRS

In addition to staff’s participation in EMWD’s advocacy meetings, Jolene Walsh, Director of Policy and Governmental Affairs is also working in leadership of a number of associations to actively advance EMWD’s federal agenda. She currently serves as the Association of California Water Agencies Federal Affairs Committee vice chair. In addition, she is the current treasurer/vice chair of the Western Urban Water Coalition, and member of the Executive Committee and Board of the National Water Resources Association. She also represents EMWD on the federal affairs committee for the California Association of Sanitation Agencies, the National Waterways Conference, National Association of Clean Water Agencies as well as the national WaterReuse Association. Each of these associations present a unique opportunity to both advance EMWD’s legislative agenda, and also raise EMWD’s profile in the legislative space.



FEDERAL LEGISLATION BY SUBJECT

FIRST YEAR OF THE 118TH CONGRESSIONAL SESSION

Bill Number, Author	Title	Position
---------------------	-------	----------

CONSERVATION

S 2654, Padilla (CA)	Water Efficiency, Conservation and Sustainability Act of 2023	Support
----------------------	---	---------

DAMS

H 4045, McMorris Rodgers (WA)	Hydropower Clean Energy Futures Act	Support
-------------------------------	-------------------------------------	---------

S 1521, Daines (MT)	Community and hydropower improvement act	Support
---------------------	--	---------

DELTA

H 924, Harder (CA)	Delta Conveyance Project Permit Issuance	Oppose
--------------------	--	--------

Endangered Species Act

H 872, Calvert (CA)	Endangered Species Act Amendment	Support
---------------------	----------------------------------	---------

GRANT/LOANS/BONDS

H 2671, Costa (CA)	Restoring WIFIA Eligibility Act	Support
--------------------	---------------------------------	---------

H 3490, Ruben (AZ)	Water Infrastructure Modernization Act of 2023	Support
--------------------	--	---------

S 540, Bennet (CO)	Outdoor Restoration Fund Establishment	Support
--------------------	--	---------

H 1236, Crow (CO)	Outdoor Restoration Fund Establishment	Sponsor
-------------------	--	---------

H 1721, Chelsie (ME)	Healthy H2O Act	Support
----------------------	-----------------	---------

H 1729, Watson Coleman (NJ)	Water Affordability, Transparency, Equity and Reliability Act of 2023	Watch
-----------------------------	---	-------

H 1837, Kustoff (TN)	Advance Refunding Bonds	Support
----------------------	-------------------------	---------

H 2419, Costa (CA)	Financial Assistance for Subsidence Impacts	Support
--------------------	---	---------

H 250, Garamendi (CA)	State Water Pollution Control Revolving Fund Assistance	Oppose in Concept
-----------------------	---	-------------------

H 873, Donalds (FL)	Water Quality and Environmental Innovations Act	Support
---------------------	---	---------

LAND USE

H 4890, Sinema (AZ)	Urban Waters Federal Partnership Act of 2023	Support
---------------------	--	---------

S 2202, Feinstein (CA)	RAIN Act	Support
------------------------	----------	---------

Bill Number, Author	Title	Position
---------------------	-------	----------

MISCELLANEOUS

S 1118, Cortez-Masto (NV)	OpenET Data Program	Support
H 2429, Lee (NV)	OpenET Data Program	Support

NPDES/PERMITS

H 1430, Valadao (CA)	National Environmental Policy Act Review Requirements	Watch
----------------------	---	-------

PFAS

S 1430, Lummis (WY)	PFAS Substance Liability Exemptions	Support
S 466, Peters (MI)	PFAS Research	Support

SEWER

H 2964, McLain (MI)	WIPPEs Act	Support
S 1350, Merkley (OR)	Do Not Flush Labeling Regulations	Support

WATER QUALITY

H 1181, Garamendi (CA)	Water Pollution Control Act Permitting	Support
H 1367, Schakowsky (IL)	Drinking Water and Wastewater System Threats	Support
H 1556, Miller (IL)	Water Pollution Control Act Amendment	Watch
H 2521, Ruiz (CA)	Clean Drinking Water Equity	Support
S 2514, Bennet (CO)	Colorado River Salinity Control Fix Act	Support

WATER SUPPLY

H 215, Valadao (CA)	California Water Supply	Watch
S 2162, Feinstein (CA)	STREAM Act	Support
S 660, Markey (MA)	Drinking Water and Wastewater System Threats	Support
S 702, Sinema (AZ)	Urban Waters Federal Partnership Program	Watch

WATERSHED

H 289, LaMalfa (CA)	Klamath River Basin Reclamation Project Requirements	Watch
H 189, McClintock (CA)	Collaborative Forest Management Activities	Watch
H 674, Newhouse (WA)	Landscape-Scale Forest Restoration Projects	Watch
S 188, Feinstein (CA)	Forest Restoration	Sponsor
S 199, Daines (MT)	Forest Restoration	Watch
S 2132, Lee (UT)	Catastrophic Wildfire Prevention Act of 2023	Support

ACTIVITY ON FEDERAL ISSUES

EMWD LETTERS TO CONGRESS AND FEDERAL AGENCIES

DATE	TO	SUBJECT
12/05/22	Senator Dianne Feinstein	S. 4669 Western Riverside National Wildlife Refuge Act
12/23/22	Representative Mark Takano	Thank you for Your Unwavering Support, Eastern Municipal Water District's PFAS Remediation Project
12/28/22	Representative Ken Calvert	Thank you for Unwavering Support, Eastern Municipal Water District's Quail Valley Septic to Sewer Project
12/28/22	Representative Darrell Issa	Thank you for Securing Funding for Eastern Municipal Water District's Wine Country Sewer Infrastructure Project
02/26/23	US Bureau of Reclamation	Eastern Municipal Water District's Support for the Desalination Feasibility Study
04/17/23	Representative Mark Takano, Ken Calvert and Darrell Issa	Thank you for selecting Eastern Municipal Water District's earmark projects to advance to House Appropriation Committee
05/01/23	Senator Dianne Feinstein	Thank you for selecting Eastern Municipal Water District's earmark projects to advance to Senate Appropriation Committee - South Perris Desal
05/01/23	Senator Alex Padilla	Thank you for selecting Eastern Municipal Water District's earmark projects to advance to Senate Appropriation Committee - PWR
05/12/23	Senator Cynthia Lummis	Eastern Municipal Water District Supports the Water Systems Liability PFAS Protection Act (S. 1432)
05/24/23	Senator Dianne Feinstein	Eastern Municipal Water District Supports Senator Feinstein's STREAM Act
05/30/23	Administrator Michael Regan	Eastern Municipal Water District PFAS MCL Comment Letter

DATE	TO	SUBJECT
06/22/23	Representative Ken Calvert	Eastern Municipal Water District, Western Water and EVMWD Support the WATER for California Act
06/23/23	Senator Dianne Feinstein and Representative Jim Costa	Eastern Municipal Water District Supports the "Canal Conveyance Capacity Restoration Act" (S. 2161)
06/29/23	Tom Carper and Shelley Moore Capito	Eastern Municipal Water District Urges CERCLA Exemption for Passive PFAS Receivers
07/20/23	Representative Darrell Issa	Thank you for Securing Funding for Eastern Municipal Water District's French Valley Area Recycled Water Gap Pipeline Project
07/20/23	Representative Ken Calvert	Thank you for Securing Funding for Eastern Municipal Water District's Water Booster Plant Improvements Project
07/20/23	Representative Mark Takano	Thank you for Securing Funding for Eastern Municipal Water District's Purified Water Replenishment and Cactus II Feeder Projects
08/10/23	Senator Alex Padilla	Eastern Municipal Water District Supports S. 2654, The Water Efficiency, Conservation, and Sustainability Act
08/11/23	Administrator Michael Regan	Addressing PFAS in the Environment, Advance Notice of Proposed Rulemaking: Docket ID No. EPA-HQ-OLEM-2022-0922
08/18/23	Colonel Andrew Baker	Congratulations on Assuming Command of the U.S. Army Corps of Engineers Los Angeles District
08/24/23	Representative Lisa McClain and Representative Mary Peltola	Eastern Municipal Water District Supports the "Wastewater Infrastructure Pollution Prevention and Environmental Safety Act- WIPPES Act" (H.R. 2964)
09/19/23	Steering Committee at Bay Area Foundation	Letter of Support for LESJWA's Applicant for the California Resilience Challenge Grant Program
09/22/23	Commissioner Camille Touton	Eastern Municipal Water District Supports Raising the Per Project Funding Cap in the Title XVI (WIIN) Grant Program
10/02/23	Chairman Adan Ortega	Consider Naming the Colorado River Aqueduct in Honor of Senator Feinstein
10/11/23	Senator Laphonza Butler	Congratulations on Appointment as Senator for the State of California
10/24/23	Assistant Secretary Mike Connor	Eastern Municipal Water District Tour Invitation to Army for Civil Works





STATE PROGRAM

THIS PAGE INTENTIONALLY LEFT BLANK

STATE OVERVIEW

HIGHLIGHTS FROM THE 2023 STATE LEGISLATIVE SESSION

INTRODUCTION

The priority and focus of the EMWD State Legislative Program is to advance EMWD's interests on the state level and maintain regular communication with legislators from our delegation, as well as with key state legislative decision-makers regarding matters important to EMWD and its customers. This is accomplished through a multi-pronged approach that incorporates both internal and external expert feedback, formal correspondence on priority bills, briefings with legislators, continuous bill monitoring, testifying at committee hearings when appropriate and frequent interaction with key officials in the Administration.

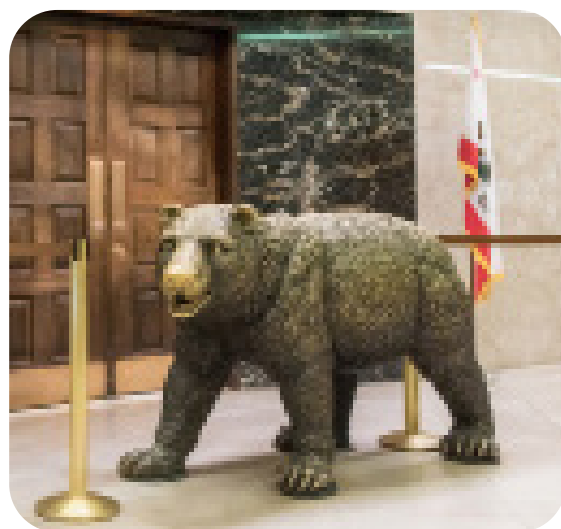
The following section of EMWD's 2023 Legislative Annual Report details the approach and specific actions completed to effectively communicate EMWD's position, needs, and concerns as they relate to activities of the State Legislative Session.

Over 2,600 bills, resolutions, and constitutional amendments were introduced during the legislative session. In total, close to 1,100 bills from both houses made it to Governor Newsom's desk for his consideration, where he signed 890 into law and vetoed 156. These numbers translate into a veto rate of 15 percent, just surpassing the Governor's veto rate of 14.5 percent following the 2022 legislative session. EMWD reviewed over 1,000 bills covering a multitude of subject areas related to water, wastewater, and other disciplines that affect EMWD's operations. In response to these bills, EMWD submitted 345 letters of support, opposition, concern, or other commentary.

The remaining "State Program" section of this report provides a comprehensive overview of the specific bills most relevant to EMWD's interest and is organized in the following sections: Legislative Review Process, Legislative State Matrix, Correspondence, Governor's Veto Messages, Glossary of Terms, Standing Committee Abbreviations, Legislative Bill Positions and EMWD's State and Federal Policy Principles.

CALIFORNIA'S LEGISLATURE CONTINUES TO EVOLVE HEADING INTO 2024

The 2023 legislative session marked the completion of the first half of a two-year legislative session for an evolving group of lawmakers, who have been touted as one of the most diverse and progressive groups in the state's history. Over 35 new members conducted business in the Capitol, and the EMWD team spent substantial time meeting with the new members of our respective legislative delegation to introduce them to EMWD and provide critical insight on the work carried out by the agency to serve the nearly one million residents within our service area.



Upon their return to Sacramento, legislative leadership released standing committee assignments, which shuffled members around and resulted in new committee chairman assignments.

During the session, instability was created within the Democratic Caucus when Assembly Member Robert Rivas announced that he had garnered enough support to oust then Speaker of the Assembly, Anthony Rendon. This process played out, largely behind closed doors, before the transition was officially settled in June 2023 when Rivas assumed the position of Speaker.

In the Senate, a much less dramatic transition took place when Senate Majority Leader Mike McGuire was chosen to assume the role of Senate President Tempore (Pro Tem) in 2024. Exactly when this transition is set to take place has yet to be determined. The current Pro Tem, Senator Toni Atkins from San Diego, announced that she would be stepping down after serving in the role since 2018. McGuire is slated to serve as President Pro Tem for a short period in comparison, as he will term out of office in 2026.

It is anticipated that Speaker Rivas will have a more centralized approach to his Speakership. In November 2023, he made notable changes to committee assignments, including appointing Assembly Member Jesse Gabriel to chair to Assembly Committee on Budget, Assembly Member Buffy Wicks to the lucrative position of chair of the Appropriations Committee, and Assembly Member Dianne Papan to the Water, Parks, and Wildlife Committee.



Over 35 new members conducted business in the Capitol, and the EMWD team spent substantial time meeting with the new members of the legislative delegation to introduce them to EMWD and provide critical insight on the work carried out by EMWD to serve the nearly one million residents within our service area.



2023 STATE BUDGET TAKES A DOWNTURN

Happening in concurrence of the political shifts, the 2023 State Budget became a hot-button issue for lawmakers and stakeholders alike. Following record-high budget years, forecasts from the Governor's Legislative Analyst Office began signaling bleaker budget conditions following the conclusion of the 2022 legislative session. On January 10, 2023, Governor Newsom released the first version of the Fiscal Year 2023-24 State Budget. While the Administration touted a \$100 billion surplus just one year prior, the Administration noted that the state would be operating with a deficit of \$22.5 billion. The budget also reflected \$35.6 billion in total reserves. Although new funds seemed to be dedicated to water infrastructure and drought contingency, the document also reflected the state's revenue shortfalls and adjustments in the form of spending delays and budget reductions to previously allocated budget commitments.

New investments for the 2023-24 budget year included \$135 million over two years for urban flood risk reduction, \$40.6 million to bolster delta levees, \$125 million set aside for drought contingency measures, \$4.7 million for planning and permitting for new water supplies, and \$7 million to fund studies and long-term water use efficiency measures related to the passage of SB 1157 (Hertzberg, 2022).

This shortfall ultimately led to significant cuts to the state's ambitions climate initiatives, and decreased spending on budget allocations related to water such as a reduction of \$100 million for PFAS cleanup funding, a \$40 million reduction in general funding for water recycling projects, and a reduction of \$40 million for state water efficiency and enhancement programs.

After several months of additional forecasting and taking into consideration transfers and adjustments, it appeared that the shortfall would increase to \$31.5 billion. Further, the federal and state tax filing deadline delays, imposed because of severe winter storms impacting several counties, contributed to greater uncertainty in the state's projected revenues. As a result of these lower revenue projections, the May Revise included an additional \$1.1 billion in General Fund shifts across climate resilience programs. This included \$270 million that had been committed for recycled water projects, \$60 million for Sustainable Groundwater Management Act implementation, and a reduction of \$125 million for drought contingency efforts. Although budget conditions continued to trend downward, the Administration noted their commitment to funding their proposed climate agenda.



This shortfall ultimately led to significant cuts to the state's ambitions climate initiatives, and decreased spending on budget allocations related to water such as a reduction of \$100 million reduction for PFAS cleanup funding, a \$40 million reduction in general funding for water recycling projects, and a reduction of \$40 million for state water efficiency and enhancement programs.



In May 2023, Governor Newsom held a press conference to announce the release of an infrastructure reform package which would be comprised of 10 budget trailer bills (BTB) and an executive order. The package aimed to facilitate and streamline project approval and completion in order to maximize the state's share of federal infrastructure dollars and expedite the implementation of projects that meet the state's ambitious economic, climate, and social goals. The components of the package sought specifically to streamline the California

Environmental Quality Act (CEQA) judicial and administrative review processes for specific projects identified by the Administration. This list initially included the Delta Conveyance Project, Sites Reservoir, and other water storage projects funded by Proposition 1.

The Administration's suite of BTBs were cause for much discontent among the legislature and a broad group of stakeholders. It was noted that because these major policy changes would advance through the budget process, they would circumvent the standard committee procedures, and would not allow for significant public feedback.

After significant negotiations, legislative leadership released updated budget language which reflected the compromises between the Assembly and Senate budget committees, and the Governor's Administration. Additionally, legislative language was published that corresponded with the Governor's infrastructure package. During the negotiations, the Delta Conveyance Project was removed from the list of projects that could potentially benefit from the streamlining efforts outlined in the BTBs.

In all, the budget retained approximately \$51.4 billion for climate projects out of an initial \$54.3 billion that was established in prior year budgets. The \$2.9 billion cut amounts to a 5% reduction in funding for climate projects originally championed by Newsom. This entails:

- Maintaining \$8.1 billion out of \$8.7 billion from prior budget commitments through 2025 to support various water-related projects, including dam safety, flood protection, water recycling, restoration of freshwater ecosystems, drought resilience, and implementation of the Sustainable Groundwater Management Act;
- Cutting \$632 million intended for drinking water and wastewater, water recycling, Salton Sea restoration, and water conservation; and
- Shifting \$1.6 billion in costs for zero-emission vehicles (ZEV) and other energy-related programs from the General Fund to the Greenhouse Gas Reduction Fund (GGRF).

Budget constraints played a major role in determining which bills the Governor signed into law. In many of the 156 veto messages released by the Administration, budget limitations were cited as a factor for the declining bill enactment. It is expected that the tumultuous nature of the current state, federal, and global economic conditions will continue to shape legislative priorities going into 2024.

MAJOR STORM EVENTS BRING RELIEF FROM HISTORIC DROUGHT

Since 2020, California had experienced some of the most severe drought conditions in recent history. Steadily rising temperatures and aridification had caused much of California's snowpack, a lifeline for major storage reservoirs, to dwindle. This resulted in a historically low allocation—of zero—to the State Water Project. Along the Colorado basin, the effects of the drought manifested as critically low storage levels in Lake Powell and Lake Mead. The situation seemed to be dire, and water managers from all sectors of government prepared themselves for worst-case scenarios.



The state breathed a collective sigh of relief when, beginning in December 2022, major storm systems and atmospheric rivers made landfall in California. In total, nine atmospheric rivers hit the state, equating to nearly 32 trillion tons of water. The initial pattern of the storms led many to believe that the conditions would mirror that of the 2022 water year, where one month of heavy rainfall was followed by extended dry periods, however, this proved to not be the case. The storms remained consistent through the first part of the year, and vital freshwater resources in the form of rain and snowfall began to accumulate as much needed snowpack. The change in conditions was so profound that even Tulare Lake, a once cyclical freshwater body in the central valley that had long ago been drained to accommodate agricultural land, had returned and at one point reached a size of over 100,000 acres. The excess water supplies also afforded the Metropolitan the opportunity to divert flows to Diamond Valley Lake in Hemet to refill the reservoir and replenish local supplies.



As the Department of Water Resources (DWR) conducted routine snow surveys during the first quarter of the year, it became apparent that the state would be experiencing an even more drastic change in hydrology than had been expected. In May 2023, DWR reported that snowpack levels across the state were 254 percent of average as compared to other years in May. This ultimately led to increased runoff to the state's major reservoirs, including Shasta, Oroville, and Folsom, whose storage supply had been consistently shrinking. By April 2023, the DWR announced that for the first time since 2006, the allocation for State Water Project contractors would be 100 percent.

Governor Newsom responded to the shift in conditions by taking actions that provided the state with greater flexibility to address the changing hydrologic conditions. This included the enactment of Executive Order (EO) N-5-23, which eased the emergency drought provisions and discontinued mandated water conservation actions including halting the voluntary 15 percent water conservation target, while continuing to encourage Californians to make conservation a way of life and ending the requirement that local water agencies needed to implement the second level of their drought contingency plans. The EO still maintained a ban on wasteful water uses, such as irrigating ornamental grass on commercial properties and retained a state of emergency in all 58 counties to ensure that drought response and flood recovery efforts could continue. The Administration also implemented EOs N-423 and N-6-23 which allowed DWR and other stakeholders to maximize the benefit of the excess flows by streamlining CEQA and other regulatory permitting procedures to allow agencies to use excess flood flows for groundwater recharge purposes.

Although the storms brought much needed water and snow, the events were also severe and destructive, leading to catastrophic flooding in certain areas of the state. In the Pajaro Valley, a farming community in Monterey County, flood flows caused neglected levees to fail leading to destructive flooding and the temporary displacement of thousands of residents.

The state has entered an era of "climate whiplash", which refers to dramatic swings from one weather extreme to another. The term has been used by officials at the local, state, and federal level to describe the current state of our weather patterns and characterize the challenges that the state faces going into the future. Climate scientists predict that 2024 will bring another wet year with climate response and other proactive actions remaining a priority for the state. EMWD staff will continue to work with legislators, regulators, and other key decision makers to appropriately inform policies centered on climate adaptation.

LEGISLATURE TURNS TO BOND MEASURES IN THE HOPES OF CLOSING FUNDING GAPS

Complications with the state budget made it apparent that stakeholders wishing to obtain large amounts of funding to continue supporting projects and initiatives would need to get creative with how those funds were procured. With the Administration announcing various cuts and spending delays to their climate programs, the legislature began to discuss the possibility of a bond measure being developed and placed before the voters in upcoming elections.

Bond measures were introduced to raise funds for a variety of state programs; EMWD monitored the progress of three of these measures that focused on climate adaptation and resiliency. AB 1567 (Assembly Member Garcia) entitled the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, Clean Energy,



and Workforce Development Bond Act of 2024, would authorize \$15.9 billion in bonds to fund a myriad of projects, per its title. SB 867 from Senator Ben Allen is a similar proposal developed by the Senate and would authorize \$15.5 billion for similar projects. SB 638, the Climate Resiliency and Flood Protection Bond act of 2024 authored by Senator Eggman, was a smaller bond that authorized \$6 billion for projects more closely aligned with flood mitigation efforts and dam safety.

EMWD communicated our support of these bond measures to members of our legislative delegation and worked with a group of other interested water agencies to advocate for the inclusion of certain funding categories in the bond language. Metropolitan agencies formed a working group to advocate for additional funding in the amount of \$1.8 billion for recycled water projects.

Though these bond proposals were put forth by members of the Legislature, it was necessary to have the support of the Administration to ensure the bond's success. Throughout the course of the session, rumors began to circulate that the capacity for bond indebtedness set by the Administration would be approximately \$25 billion. This meant that interested parties would be competing for limited funds across many sectors, and it began to look increasingly unlikely that a natural resources bond of over \$15 billion would be seen as a feasible option by the Administration. Governor Newsom also noted that his priority for a bond measure was funding for mental health programs.

Ultimately, these natural resources bond measures were not prioritized by the Administration and did not advance. The measures will continue to be developed in 2024 and further negotiations will take place to finalize the funding amounts in each of the bonds. EMWD remains in support of a request to include \$1.8 billion for recycled water grant funds in AB 1567 and SB 867. If progress is made on finalizing the measures, California voters would weigh in on the November 2024 general election ballot.



With the Administration announcing various cuts and spending delays to their climate programs, the legislature began to discuss the possibility of a bond measure being developed and placed before the voters in upcoming elections.





WATER RIGHTS REFORM LEGISLATION DOMINATE CONVERSATIONS IN THE CAPITOL

The Newsom Administration has established itself as one of the most progressive governing bodies in the state's history. The policies of the Administration's many regulatory entities and the objectives of the legislature often focus on issues of economic and racial equity with the intent of addressing systematic barriers that have manifested as disparities across California's diverse population. One of these equity-focused initiatives that took place within the legislature was an effort to pass bills which sought to modernize California's water rights system. The state's methodology for establishing water rights and determining who can lawfully divert water for beneficial uses dates back to the 1800s, when prospectors and farmers inundated the land surrounding the Sacramento-San Joaquin Delta. Since that time, the process has remained relatively antiquated, with water rights holders being classified based on the maturity of their right.

It has been argued by those wishing to reform the system that the State Water Resources Control Board (State Board) lacks the technical and administrative resources to properly monitor water rights and lacks the authority to curtail water rights holders in the event that they are ordered to halt diversions. As a result, three bills were introduced to modernize the water rights system as it pertained to the ability of the State Board to validate rights and issue curtailment orders.

AB 460, introduced by then chair of the Assembly Water Parks and Wildlife Committee Rebecca Bauer Kahan, sought to grant the State Water Resources Control Board with expanded authority to issue interim relief orders against water diverters and users. Additionally, these orders could be issued without holding a hearing in which water right holders could defend their actions. The bill would have also granted the State Board the ability to enforce the orders by imposing onerous and costly requirements on water users, such as mandating curtailing diversions, imposing new minimum streamflow requirements, directing reservoir operations, requiring the diverter to conduct technical studies, and more.

AB 1337 from Assembly Member Buffy Wicks would authorize the State Board to issue curtailment orders against all water right holders and during any water year type, regardless of drought or other hydrological conditions. This would have the potential to significantly impact the certainty and availability of water supplies.

SB 389 from Senator Ben Allen would authorize the State Board to investigate and determine the scope and validity of any water right claim. The bill placed a considerable burden on the right holder, as they would be required to provide the basis of the right.

The introduction of this suite of bills prompted significant response from a broad group of stakeholders including water providers, the farming and agricultural sector, and the business community. Although the intent of the legislation was to modernize the water rights system and allow for more equitable processes to be developed, it was understood that a reform of this scale had the potential to undermine California's economy and the livelihood of millions of people. The Association of California Water Agencies (ACWA) led a strong coalition effort opposing the bills. It was the intent of the coalition to keep these bills from advancing, however, a task force comprised of attorneys and representatives from water agencies worked extensively with the author and other stakeholders to seek amendments to the legislation and provide practical solutions which would minimize impacts to those dependent on consistent water deliveries.

The efforts to stop these bills dominated the advocacy efforts in the water industry for much of the year. In March, the Assembly Water Parks and Wildlife Committee held an informational hearing on the water rights reform efforts. This provided an opportunity for supporters of the measures and the opposition to elaborate on their perspectives before the legislature. The bills had the general support of a majority of the Legislature's Democrats, although some raised concerns about the unintended consequences of the bills.

As negotiations and conversations progressed between the bill's supporters and the ACWA coalition, the bills evolved as members were informed by their constituents how impactful the bills may be. By July, it was announced that AB 460 and AB 1337 would be held back prior to their hearing in the Senate Natural Resources and Water Committee and made two-year bills. Although the authors noted that the bills would continue to be workshopped over the course of the year, it was understood that the main reason for not advancing the bills was due to the authors not having the votes needed to pass the bills.



Although the intent of the legislation was to modernize the water rights system and allow for more equitable processes, it was understood that a reform of this scale would undermine California's economy and the livelihood of millions of people.



Ultimately, only SB 389 was successful in reaching the Governor's desk and in October 2023, it was signed into law. The bill was amended heavily and language that would have required water rights holders to prove the validity of their right was removed. This progress allowed the ACWA coalition to remove their opposition and register a 'neutral' position with the author.

Modernization of water rights continues to be a priority for the Administration and the legislature, and it is anticipated that additional legislative efforts will be made to address water rights in 2024. EMWD will remain engaged with ACWA and other industry partners as these conversations advance into the next legislative session in order to remain proactive and minimize impacts to customers.



REGULATORS PUSH FOR CLEANER FLEETS

Occurring in parallel to a very busy legislative session, a series of incredibly impactful regulatory initiatives were being developed by the California Air Resources Board (CARB).

Spurred by the Administration's lofty climate goals, CARB began developing a series of policies focused on the electrification of vehicle fleets to reduce carbon emissions. EMWD has focused specifically on CARB's Advanced Clean Fleets (ACF) rule. This rule mandates that public agencies begin to transition their fleets, including medium and heavy-duty vehicles, from internal combustion engine (ICE) vehicles to ZEV. From the initial announcement of the regulation, water agencies and all other sectors of local government who rely on their fleet vehicles to provide essential services, understood that the regulation had the potential to be catastrophic. The process of transitioning standard ICE fleets

to ZEVs would require substantial technical and administrative restructuring, and the costs associated with these changes would pose a distinct challenge to public agencies and the customers that they serve.

EMWD relied heavily on the work done by the California Municipal Utilities Association (CMUA) to advocate against the problematic provisions of the regulation. EMWD's team of subject matter experts provided key insight on how the regulation would impact the agency, and provided alternatives that could be incorporated into the regulation to make it more feasible. Of the many potential pitfalls of the ACF regulation, EMWD focused on a few specific aspects in a comment letter submitted to CARB's directors and key staff.



Water agencies and all other sectors of local government who rely on their fleet vehicles to provide essential services, understood that the regulation had the potential to be catastrophic.



First, EMWD noted that the rule could result in publicly owned electric utilities and public water and wastewater agencies needing to use vehicles beyond their useful life or replace them with a ZEV that does not have adequate capabilities to restore service, maintain reliability, and respond in emergencies. Secondly, the rule includes a daily usage exemption that would not allow a publicly owned utility to purchase a traditional utility vehicle if the ZEV configuration does not meet the daily needs of the utility.

Lastly, and most importantly, is the issue of vehicle availability. The lack of medium and heavy-duty ZEV vehicles in the market will impact an agency's ability to reliably maintain service. There are a limited number of manufacturers actively producing equipment in this range. While manufacturers may claim production or near production readiness of certain vehicle types, actual production capability to meet even limited demand is far from mature and in some cases does not exist at any reasonable scale at all. This is further exacerbated by the cancellation of ZEV purchase contracts by manufacturers due to supply chain-related complications and other pressures that the ZEV market is experiencing.

In April, the ACF rule went before CARB for a final vote and was passed despite outstanding concerns from stakeholders. The rule mandates that local government fleets begin reporting their compliance figures with CARB beginning in 2024. In response to the passage of the ACF rule, CMUA sponsored AB 1594 with Assembly Member Eduardo Garcia, which requires any State regulation that seeks to require the procurement of medium and heavy-duty ZEVs to authorize public agency utilities to purchase replacements for traditional utility-specialized vehicles that are at the end of life when needed to maintain reliable service and respond to major foreseeable events, including severe weather, wildfires, natural disasters, and physical attacks. The bill was successfully passed and signed into law by Governor Newsom in October 2023. Although this legislative solution will provide public fleets with greater flexibility when responding to emergency situations, the regulation will still be a daunting task for local governments to implement.



CALIFORNIA ADVANCES CONSERVATION AS A WAY OF LIFE FRAMEWORK

SB 606 (Hertzberg, 2018) and AB 1668 (Friedman, 2018), a pair of bills that aimed to codify the goals outlined in Governor Jerry Brown's 2016 Executive Order establishing "Conservation as a California Way of Life," have continued to guide the State Water Resources Control Board (State Board) regulations pertaining to urban water conservation.

The rulemaking for the conservation mandates ramped up in 2023 after the State Board's release of a regulatory framework had been significantly delayed. In August 2023, the rulemaking was officially underway to create a process for urban water suppliers to meet efficiency standards for indoor and outdoor residential use, commercial, institutional, and institutional (CII) spaces, as well as factoring in metrics for water loss and variances for specific uses. As a leader in water use efficiency, EMWD has been engaged in conversations with the State Board regarding conservation since the introduction of the regulations, as well as through the passage of subsequent conservation legislation such as SB 1157 (Hertzberg, 2022). Throughout these discussions, EMWD has communicated to the State Board that it is not opposed to conservation measures but believes that state-mandated water use efficiency regulations should be feasible and take into consideration unintended consequences such as impacts to wastewater and recycled water infrastructure, and water affordability.



As a leader in water use efficiency, EMWD has been engaged in conversations with the State Board regarding conservation since the creation of the regulations, as well as through the passage of subsequent conservation legislation.



As part of the rulemaking, the State Board initiated a public comment period to collect stakeholder feedback ahead of the official adoption, which is set to take place in 2024. Staff from EMWD's Water Use Efficiency Team provided comments noting overarching policy concerns including aspects of the regulations such as infeasible timelines for reporting, resource-intensive requirements for data collection, and other unintended consequences. Additionally, staff provided policy recommendations regarding variance and bonus incentive processes and regulatory methodologies. EMWD also noted in its feedback that smaller retail agencies would be more severely impacted by the regulation due to their limited financial, technical, and administrative resources, which could in turn impact water affordability.

Conservation and urban water use efficiency were also addressed in legislative vehicles this year. Assembly Member Laura Friedman, who is no stranger to the water use efficiency space, introduced two bills focused on outdoor water usage.

AB 1572 prohibits the use of potable water for the irrigation of nonfunctional turf located on CII properties, other than a

cemetery, and on properties of homeowners' associations, common interest developments, and community service organizations or similar entities. The bill would authorize the State Water Resources Control Board to create a form for compliance certification and would require owners of covered properties to certify their compliance, as specified. The bill would authorize a public water system, city, county, or city and county to enforce these provisions, as specified. The bill would also require the Governor's Office of Business and Economic Development to support small and minority-owned businesses that provide services that advance compliance with these provisions



Being that EMWD has been incredibly proactive in the area of nonfunctional turf removal, staff made sure to engage with the author and her staff as early as possible. When the legislation was introduced, EMWD adopted a "support if amended" position, noting that our agency was supportive of the concept of continuing to prohibit potable water resources to irrigate ornamental turf, but also wanting to ensure that the bill would not have unintended consequences. Early iterations of the bill would have required water providers, including retail agencies and cities, to enforce the provisions of the bill. Additionally, the bill grouped multifamily housing developments into the properties that would be subject to the law. This language was of particular concern to EMWD, and staff worked with a coalition of other water agencies to provide feedback to the author. The language was eventually changed to authorize water agencies to enforce the bill should they choose, and multifamily housing properties were excluded from the bill. EMWD was then able to register a 'support' position, and advocate for its passage. The bill was signed into law by the Governor in October 2023, and compliance reporting will begin in 2027.

Assembly Member Friedman also introduced AB 1573, which aimed to modify the Model Water Efficient Landscape Ordinance (MWELo) and prohibit the use of traditional overhead sprinklers on all new and rehabilitated landscapes and require that new and rehabilitated landscapes efficient irrigation fixtures. The bill also required that new and renovated CII landscapes utilize a specific percentage of native plant species in the landscape design. Original versions of the bill called for this percentage to be as high as 75 percent. EMWD provided feedback to the author's office noting that in EMWD's service area, native species are often difficult to find and can be expensive. These types of plants are typically available at boutique nurseries and not at traditional big-box stores, where many property owners and contractors purchase materials for landscape designs. EMWD also suggested that an advisory group be established to inform the legislation and ensure that it would be feasible.



As the session progressed, the bill received amendments that lowered the required percentage of native plant species in the landscape designs down to 25 percent. While EMWD was still fundamentally opposed to a mandatory requirement, this was a promising development. Assembly Member Friedman eventually announced that AB 1573 would be held for the year and developed further in 2024. EMWD continues to maintain a "support if amended" position and looks forward to revisiting this conversation in January 2024. As conservation efforts continue to advance within the legislature and the State Board, EMWD is committed to ensuring that we engage in dialogue with decision makers in order to ensure the best interests of EMWD's customers are thoughtfully considered.

OPPORTUNITIES FOR 2024

With the first half of the legislative session finished, the EMWD team looks toward 2024 for opportunities to continue building meaningful and productive relationships with legislators, regulators, and other key decision makers locally, and in Sacramento. EMWD will continue to work diligently to advocate for our customers' best interests, and champion sound policies for water providers across the state.

Ahead of the legislature's return to the Capitol, EMWD has established a set of legislative priorities for 2024, including advocating for state and federal funding to support water affordability and customer assistance programs, promoting policies related to water and wastewater system consolidations to improve economies of scale to allow for greater investments in crucial infrastructure, and continuing to advocate for the inclusion of funding for water, wastewater, and recycled water infrastructure projects in the existing natural resources bond measures.

2023 was a dynamic year that brought with it many challenges and new opportunities. EMWD is committed to addressing these challenges and opportunities head on in 2024 for the betterment of our growing communities.



LEGISLATIVE REVIEW PROCESS

EMWD GOVERNMENTAL AFFAIRS PROGRAM

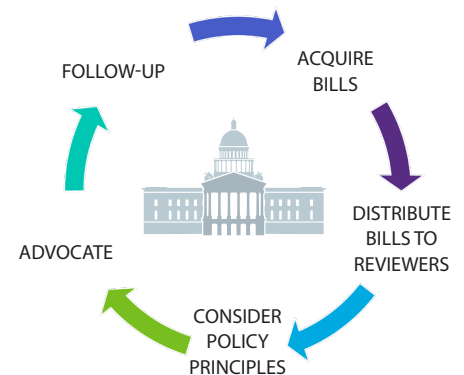
ACQUIRE BILLS Governmental Affairs staff reviews and evaluates all introduced legislation to determine relevance to EMWD.

DISTRIBUTE BILLS TO REVIEWERS Relevant bills are distributed to the Legislative Action Team members for review. Committee members provide: analysis of impact to EMWD, if any; recommended EMWD legislative position; and recommended amendments, if any.

CONSIDER POLICY PRINCIPLES Consider related Board adopted Policy Principles. Thirteen policy principles have been adopted by the EMWD Board of Directors: Water Recycling, Groundwater Management, Brackish Water Desalination, Wastewater, Water Use Efficiency, Imported Water Supplies, Water Infrastructure Financing, Climate Change and Green House Gas Emissions Reduction, Environmental and Regulatory Compliance, Technology and Security, Renewable Energy/Energy Management, Governance, and Administration.

ADVOCATE Generate and distribute legislative reports consisting of bill information and recommended positions. Advocate EMWD's position with letters, emails, phone calls, and meetings with legislators and their staff. Form coalitions with other organizations as necessary.

FOLLOW-UP Acknowledge legislators who vote in favor of EMWD's positions with phone calls and thank you letters; continue dialogue with others.



EMWD'S LEGISLATIVE ACTION TEAM

Members, top row, left to right: Laura Nomura, Deputy General Manager; Matthew Melendrez, Assistant General Manager of Operations and Maintenance; John Adams, Chief Financial Officer; Dan Howell, Senior Director of Administrative Services.

Members, middle row, left to right: Al Javier, Director of Environmental and Regulatory Compliance; Jolene Walsh, Director of Policy and Governmental Affairs; Doug Hefley, Director of Safety, Risk and Emergency Management; Tom Henderson, Principal Engineering Geologist.

Members, bottom row, left to right: Pacal Cornejo-Reynoso, Governmental Affairs Analyst; Wajiha Noor, Governmental Affairs Analyst; Rhonda Cooper, Public and Governmental Affairs Specialist.

STATE LEGISLATION BY SUBJECT

2023-24 STATE LEGISLATIVE SESSION

Bill Number, Author	Title	Position	Status
---------------------	-------	----------	--------

ACCESSORY DWELLING UNITS

AB 1033, Ting	Accessory Dwelling Units: Local Ordinances	Watch	Chaptered
---------------	--	-------	-----------

AIR QUALITY

AB 1216, Muratsuchi	Wastewater Treatment Plants: Monitoring of Air	Watch	Chaptered
---------------------	--	-------	-----------

BONDS

AB 1567, Garcia E	Safe Drinking Water, Wildfire Prevention, Drought Prep	Support if amended	Two-year bill
SB 638, Eggman	Climate Resiliency and Flood Protection Bond Act	Support if amended	Two-year bill
SB 867, Allen	Drought, Flood, and Water Resilience	Support if amended	Two-year bill

BROWN ACT, ETHICS

AB 557, Hart	Open Meetings: Local Agencies: Teleconferences	Support (B)	Chaptered
AB 817, Pacheco	Open Meetings: Teleconferencing: Subsidiary Body	Support (A)	Two-year bill

CALIFORNIA ENVIRONMENTAL QUALITY ACT

SB 149, Caballero	California Environmental Quality Act: Administrative	Support (B)	Chaptered
-------------------	--	-------------	-----------

CONSERVATION

AB 755, Papan	Water: Public Entity: Water Usage Demand Analysis	Watch	Chaptered
AB 1573, Friedman	Water Conservation: Landscape Design: Model Ordinance	Support if amended	Two-year bill
AB 805, Arambula	Drinking Water Consolidation: Sewer Service	Watch	Two-year bill

CONTRACTS

AB 334, Rubio	Public Contracts: Conflicts of Interest	Watch	Chaptered
SB 706, Caballero	Public Contracts: Progressive Design-Build	Support (B)	Chaptered

Bill Number, Author	Title	Position	Status
---------------------	-------	----------	--------

DELTA

SB 687, Eggman	Water Quality Control Plan: Delta Conveyance Project	Oppose (A)	Two-year bill
----------------	--	------------	---------------

DEPARTMENT OF WATER RESOURCES

SB 66, Hurtado	Water Quality, Supply, and Infrastructure Improvement	Watch	Two-year bill
----------------	---	-------	---------------

ENERGY, RENEWABLE ENERGY

SB 414, Allen	Climate Change: Applications Using Hydrogen: Assessment	Watch	Two-year bill
---------------	---	-------	---------------

SB 493, Min	Air Pollution: Alternative Vehicles and Hydrogen	Support (B)	Vetoed
-------------	--	-------------	--------

FUNDING, FEES

AB 682, Mathis	State Water Resources Control Board: Online Search Tool	Support (B)	Chaptered
----------------	---	-------------	-----------

AB 753, Papan	State Water Pollution Cleanup and Abatement Account	Oppose (B)	Vetoed
---------------	---	------------	--------

GRAYWATER

SB 745, Cortese	The Drought Resistant Buildings Act	Support and amend	Chaptered
-----------------	-------------------------------------	-------------------	-----------

GREEN HOUSE GAS EMISSIONS

AB 9, Muratsuchi	Greenhouse Gases: Market-Based Compliance Mechanism	Watch	Two-year bill
------------------	---	-------	---------------

AB 43, Holden	Greenhouse Gas Emissions: Building Materials	Watch	Chaptered
---------------	--	-------	-----------

AB 1594, Garcia E	Medium and Heavy-Duty Zero-Emission Vehicles: Public	Support (A)	Chaptered
-------------------	--	-------------	-----------

SB 12, Stern	Global Warming Solutions Act of 2006: Emissions Limit	Watch	Two-year bill
--------------	---	-------	---------------

SB 48, Becker	Building Energy Savings Act	Watch	Chaptered
---------------	-----------------------------	-------	-----------

GROUNDWATER

AB 429, Bennett	Groundwater Wells: Permits	Watch	Two-year bill
-----------------	----------------------------	-------	---------------

AB 779, Wilson	Groundwater: Adjudication	Watch	Chaptered
----------------	---------------------------	-------	-----------

AB 1563, Bennett	Groundwater Sustainability Agency: Extraction Permits	Watch	Two-year bill
------------------	---	-------	---------------

SB 659, Ashby	California Water Supply Solutions Act of 2023	Support (A)	Chaptered
---------------	---	-------------	-----------

HOUSING

AB 281, Grayson	Planning and Zoning: Housing: Post entitlement Phase	Watch	Chaptered
-----------------	--	-------	-----------

AB 1490, Lee	Affordable Housing Development Projects: Adaptive Reuse	Oppose (B)	Chaptered
--------------	---	------------	-----------

Bill Number, Author	Title	Position	Status
---------------------	-------	----------	--------

HUMAN RESOURCES

AB 1484, Zbur	Temporary Public Employees	Oppose (B)	Chaptered
SB 616, Gonzalez	Paid Sick Days Accrual and Use	Support (B)	Chaptered
SB 809, Smallwood-Cueva	California Fair Employment and Housing Act: Fair Chance	Watch	Two-year bill

INFORMATION TECHNOLOGY

AB 1637, Irwin	Local Government: Internet Websites and Email Addresses	Oppose (A)	Chaptered
----------------	---	------------	-----------

LOCAL AREA FORMATION COMMISSIONS

AB 399, Boerner	Water Ratepayers Protections Act of 2023: County Water	Watch	Chaptered
-----------------	--	-------	-----------

MISCELLANEOUS

AB 1684, Maienschein	Local Ordinances: Fines and Penalties: Cannabis	Watch	Chaptered
AB 1736, Carrillo J	Water Replenishment Districts: Competitive Bidding	Watch	Chaptered
SB 23, Caballero	Water Supply and Flood Risk Reduction Projects	Support (A)	Two-year bill
SB 753, Caballero	Cannabis: Water Resources	Support (A)	Chaptered

PFAS

AB 246, Papan	Product Safety: Menstrual Products: PFAS	Support (B)	Vetoed
AB 727, Weber A	Product Safety: Cleaning Products and Floor Sealers	Support (B)	Vetoed
AB 1423, Schiavo	Product Safety: PFAS: Artificial Turf	Support (B)	Vetoed

PUBLIC AGENCIES

AB 1152, Patterson J	Public Agencies: Causes of Action	Watch	Two-year bill
----------------------	-----------------------------------	-------	---------------

RESERVOIRS

AB 30, Ward	Atmospheric Rivers: Research: Reservoir Operations	Support (B)	Chaptered
AB 62, Mathis	Statewide Water Storage: Expansion	Watch	Two-year bill

STATE WATER RESOURCES CONTROL BOARD

AB 838, Connolly	State Water Affordability and Infrastructure Act	Watch	Two-year bill
AB 1272, Wood	State Water Resources Control Board: Drought Planning	Watch	Two-year bill

Bill Number, Author	Title	Position	Status
---------------------	-------	----------	--------

SURPLUS LAND

AB 457, Patterson J.	Surplus Land Act: Exempt Surplus Land: Leases	Support (B)	Two-year bill
SB 229, Umberg	Surplus Land: Disposal of Property: Violations	Watch	Chaptered

WATER AFFORDABILITY

SB 3, Dodd	Discontinuation of Residential Water Service	Watch	Chaptered
SB 57, Gonzalez	Utilities: Disconnection of Residential Service	Oppose (A)	Two-year bill

WATER CONSERVATION

AB 1072, Wicks	Water Conservation and Efficiency: Low-Income	Watch	Two-year bill
AB 1572, Friedman	Potable Water: Nonfunctional Turf	Support (A)	Chaptered

WATER QUALITY

AB 234, Bauer-Kahan	Microparticles	Support (B)	Two-year bill
AB 249, Holden	Water: School sites: Lead Testing	Support and amend	Vetoed
AB 990, Grayson	Water Quality: Waste Discharge Requirements: Infill	Watch	Two-year bill

WATER RIGHTS

AB 460, Bauer-Kahan	State Water Resources Control Board: Water Rights	Oppose unless amended	Two-year bill
AB 676, Bennett	Water: General State Policy	Watch	Vetoed
AB 1024, Aguiar-Curry	Water Rights: Small Irrigation Use	Watch	Two-year bill
AB 1205, Bauer-Kahan	Water Rights: Sale, Transfer, or Lease: Agricultural	Watch	Two-year bill
AB 1337, Wicks	State Water Resources Control Board: Water Diversion	Oppose (B)	Two-year bill
SB 389, Allen	State Water Resources Control Board: Investigation	Watch	Chaptered

WATER SUPPLY

AB 754, Papan	Water Management Planning: Water Shortages	Watch	Two-year bill
SB 366, Caballero	State Water Plan: Long-Term Supply Targets	Support (B)	Two-year bill

WATER USE EFFICIENCY

SB 676, Allen	Local Ordinances and Regulations: Drought-Tolerant Land	Support (B)	Chaptered
---------------	---	-------------	-----------

WORKFORCE DEVELOPMENT

AB 735, Berman	Workforce Development: Utility Careers	Support (A)	Two-year bill
----------------	--	-------------	---------------

ACTIVITY ON STATE ISSUES

EMWD LETTERS TO THE LEGISLATURE AND STATE AGENCIES

TITLE	SENT	PURPOSE OF LETTER
SB 23 (Caballero) Voter Thresholds	17	Letter of Support
SB 101 (Skinner) Budget Act of 2023	3	Statement of Opposition
SB 366 (Caballero)	21	Letter of Support
SB 389 (Allen) Investigation of Water Rights	3	Statement of Neutrality
SB 659 (Ashby) Cannabis: Water Pollution Crimes	49	Letter of Support
SB 867 (Allen) Natural Resources Bond	5	Letter of Support
AB 246 (Papan) PFAS: Menstrual Products	40	Letter of Support
AB 460 (Bauer Kahan) Water Rights	8	Statement of Opposition
AB 727 (Weber) PFAS: Cleaning Products	40	Letter of Support
AB 735 (Berman) Workforce Development	14	Letter of Support
AB 1337 (Wicks) Water Rights: Diversions	8	Statement of Opposition
AB 1572 (Friedman) Potable Water: Nonfunctional Turf	71	Letter of Support

TITLE	SENT	PURPOSE OF LETTER
AB 1573 (Friedman) Water Conservation: Landscape Design	26	Letter of Support
AB 1567 (Garcia) Natural Resources Bond	5	Letter of Support
AB 1594 (Garcia) Medium and Heavy-Duty Zero-Emission Vehicles: Public	4	Letter of Support
ACA 13 (Ward) Voter Thresholds	12	Letter of Support
Newsom Administration Infrastructure Package	8	Letter of Support
EMWD Comments on Draft Environmental Impact Report, Delta Conveyance Project	17	Provide Comments
EMWD Comments on CARB Advanced Clean Fleets Rule	3	Provide Comments
EMWD Comments on OEHHA Public Health Goals for PFOA and PFOS	1	Provide Comments
EMWD Comments on Ocean Desalination Siting Study	16	Provide Comments
EMWD Comments on Direct Potable Reuse Regulations	1	Provide Comments
EMWD State Legislative Delegation: Consumer Confidence Report (2022)	8	Informative Letter
EMWD State Legislative Delegation: Thank You for Participating in EMWD Lobby Day	12	Thank You
Jerry Brown: Thank You for Your Presentation to EMWD's Board of Directors	1	Thank You
EMWD State Legislative Delegation Staff: Thank You for Attending EMWD's Priority Issue Briefing and Tour	11	Thank You
Assembly Woman Kate Sanchez: Thank You for Hosting EMWD Legislative Priorities Briefing	2	Thank You

GOVERNOR'S VETO MESSAGES

EMWD TRACKED BILLS

SUBJECT: PFAS
BILL NUMBER: AB 246
OCTOBER 8, 2023

To the members of the California State Assembly:

I am returning Assembly Bill 246 without my signature.

This bill would prohibit, by 2025, the manufacture, distribution, or sale of menstrual products that contain intentionally added perfluoroalkyl or polyfluoroalkyl substances (PFAS) at a certain concentration level, as well as limit, by 2027, the concentration of total organic fluorine in menstrual products.

This is one of three single-product chemical bans passed by the Legislature this year that attempt to address serious concerns with the presence of PFAS in consumer products. These bills do not identify or require any regulatory agency to determine compliance with, or enforce, the proposed statute.

While I strongly support the author's intent and have signed similar legislation in the past, I am concerned that this bill falls short of providing enhanced protection to California consumers due to lack of regulatory oversight. Previously enacted single-product chemical bans, which also lack oversight, are proving challenging to implement, with inconsistent interpretations and confusion among manufacturers about how to comply with the restrictions.

In order to instill consumer confidence and effectively address public health and environmental concerns, I am directing the Department of Toxic Substances Control to engage with the author and the Legislature and consider alternative approaches to regulating the use of these harmful chemicals in consumer products.

For these reasons, I cannot sign this bill.

Sincerely,

Gavin Newsom, Governor

SUBJECT: PFAS
BILL NUMBER: AB 727
OCTOBER 8, 2023

To the members of the California State Assembly:

I am returning Assembly Bill 727 without my signature.

This bill would prohibit, by 2026, the manufacture, distribution, or sale of cleaning products that contain intentionally added perfluoroalkyl or polyfluoroalkyl substances (PFAS), and would apply this ban, by 2028, to floor sealer or floor finish products.

This is one of three single-product chemical bans passed by the Legislature this year that attempt to address serious concerns with the presence of PFAS in consumer products. These bills do not identify or require any regulatory agency to determine compliance with, or enforce, the proposed statute.

While I strongly support the author's intent and have signed similar legislation in the past, I am concerned this bill falls short of providing enhanced protection to California consumers due to lack of regulatory oversight. Previously enacted single-product chemical bans, which also lack oversight, are proving challenging to implement, with inconsistent interpretations and confusion among manufacturers about how to comply with the restrictions.

In order to instill consumer confidence and effectively address public health and environmental concerns, I am directing the Department of Toxic Substances Control to engage with the author and the Legislature and consider alternative approaches to regulating the use of these harmful chemicals in consumer products.

For these reasons, I cannot sign this bill.

Sincerely,

Gavin Newsom, Governor

SUBJECT: PFAS
BILL NUMBER: AB 1423
OCTOBER 8, 2023

To the members of the California State Assembly:

I am returning Assembly Bill 1423 without my signature.

This bill would prohibit, by 2026, a person, public entity, or educational institution from purchasing or installing artificial turf that contains intentionally added perfluoroalkyl or polyfluoroalkyl substances (PFAS) at a certain concentration level.

This is one of three single-product chemical bans passed by the Legislature this year that attempt to address serious concerns with the presence of PFAS in consumer products. These bills do not identify or require any regulatory agency to determine compliance with, or enforce, the proposed statute.

While I strongly support the author's intent and have signed similar legislation in the past, I am concerned that this bill falls short of providing enhanced protection to California consumers due to lack of regulatory oversight. Previously enacted single-product chemical bans, which also lack oversight, are proving challenging to implement, with inconsistent interpretations and confusion among manufacturers about how to comply with the restrictions.

In order to instill consumer confidence and effectively address public health and environmental concerns, I am directing the Department of Toxic Substances Control to engage with the author and the Legislature and consider alternative approaches to regulating the use of these harmful chemicals in consumer products.

For these reasons, I cannot sign this bill.

Sincerely,

Gavin Newsom, Governor

SUBJECT: WATER QUALITY
BILL NUMBER: AB 249
OCTOBER 8, 2023

To the members of the California State Assembly:

I am returning Assembly Bill 249 without my signature.

This bill would require community water systems serving schoolsites with buildings constructed before January 1, 2010, to test for lead at each of those schoolsites' potable water system outlets. It also establishes notification and remediation requirements for local educational agencies if testing results show certain lead levels for any outlet and requires the State Water Resources Control Board (State Water Board) to collect, track, and publicly post certain compliance data, and enforce this bill's provisions.

Minimizing childhood exposure to lead in drinking water is a critical issue. While I support the author's commitment to ensure safe drinking water in schools, this bill contains several problematic provisions and cannot be implemented as drafted. The bill constitutes an entirely new enforcement role for the State Water Board, requires the creation of a costly database for tracking compliance and enforcement, and contains an infeasible implementation timeline.

Although some funding was included in the 2023 budget for testing and remediation, the bill lacks key provisions for efficiently administering the funding and is inadequate to cover the full cost of implementation. Additionally, this bill creates a reimbursable state mandate with ongoing Proposition 98 General Fund costs that could range into the hundreds of millions of dollars.

In partnership with the Legislature, we enacted a budget that closed a shortfall of more than \$30 billion through balanced solutions that avoided deep program cuts and protected education, health care, climate, public safety, and social service programs that are relied on by millions of Californians. This year, however, the Legislature sent me bills outside of this budget process that, if all enacted, would add nearly \$19 billion of unaccounted costs in the budget, of which \$11 billion would be ongoing.

With our state facing continuing economic risk and revenue uncertainty, it is important to remain disciplined when considering bills with significant fiscal implications, such as this measure.

For these reasons, I cannot sign this bill.

Sincerely,

Gavin Newsom, Governor

THIS PAGE INTENTIONALLY LEFT BLANK





POLICY PRINCIPLES

THIS PAGE INTENTIONALLY LEFT BLANK

POLICY PRINCIPLES

2023 STATE AND FEDERAL LEGISLATIVE PROGRAM

INTRODUCTION

EMWD has adopted a strategic objective to “Conduct a highly productive and effective federal, state and local advocacy representation program to effectively influence legislation, regulation and funding in a manner that responds to a shifting political landscape, benefits EMWD’s customers and consistently demonstrates industry leadership.”

To achieve this objective, the Public and Governmental Affairs Department builds and maintains relationships with legislative and administrative leaders, their staff, and other opinion leaders, and involves all appropriate EMWD disciplines to formulate positions on legislative and policy issues. In order to achieve EMWD’s strategic objective for policy and community engagement, Government Affairs staff develop Legislative Policy Principles to guide these investments. These principles are consistent with EMWD’s mission statement, values and beliefs and are developed through careful consideration of EMWD’s strategic plan and other foundational planning documents.

Guided by the Legislative Policy Principles, which are adopted by the EMWD Board of Directors, and incorporate the professional opinion of EMWD’s staff, the Government Affairs Team communicates EMWD’s position and actively advocates on pertinent legislative issues. Each Policy Principle category identified below includes a policy goal that will be pursued consistent with the related objectives outlined on the following pages.





OVERARCHING PRINCIPLES

The following four principles are overarching requests of the legislature and the administration that EMWD will actively pursue to preserve and protect effective and high-quality water service for our ratepayers, businesses, and communities we serve. The overarching principles represent the consistent messaging and requests that will be integrated into all areas of EMWD's policy requests, and they include the following:

- Preserve and protect local control and recognize and respect regional differences and diversity; allow for flexibility in approaches to water portfolio management
- Deploy strategies that address impacts from climate change and promote water resilience and ensure that all efforts to address climate change impacts are grounded in science and advanced through a transparent and collaborative manner.
- Pursue funding to address mandates, technology innovations, and offset costs for development of projects to further diversify and improve the resilience of EMWD's water supply portfolio; and
- Encourage and actively pursue integration and deployment of tested and reliable technologies to streamline, support, and protect EMWD operations.



WATER AND WASTEWATER SYSTEM OPERATION

Policy Goal: Ensure the safe and reliable delivery of water, wastewater, and recycled water service in an effective, transparent, and affordable manner, while also preserving the ability of water service providers to attract and retain a high quality, inclusive, and reliable workforce.

GOVERNANCE

- Support system consolidations and regionalization, where appropriate, for the delivery of safe and reliable drinking water, when accomplished through a public and transparent process.
- Support the utilization of allocation based tiered rates to effectively advance the State's
- dual priorities of conservation and the affordability of water service.

- Support consensus-based reforms to Cortese-Knox-Hertzberg that ensures thorough communication with affected entities, and results in the effective and reliable deployment of public services.
- Support the consideration of narrow reforms to Proposition 218, preserving responsible rate-setting functions, while enabling water providers to establish a local income-qualified water rate assistance program when non-ratepayer revenues are not available or sufficient.
- Support and inform the implementation of SB 200 (Monning, 2019) and advancement of the overarching Safe and Affordable Funding for Equity and Resilience (SAFER) program to ensure:
 - Adherence to the principles established in these historic efforts:
 - Promote effective deployment of technical, managerial, and financial protocols; and
 - Further safeguard the limited resources available to achieve the stated mission of delivering safe and reliable drinking water for all Californian
- Communicate concern and propose strategies for the reconciliation of mandates and administrative actions that signal conflicting state policies or priorities.
- Oppose efforts that would result in the inability of water service providers to charge customers the full cost of service, apply connection fees, establish standby charges or remove the ability to pursue overdue balances through the property tax collection process.
- Oppose efforts to mis-characterize reserve funds as “cash on hand” for the purpose of prescribing the use of reserves or mandating a shift of these critical resources.

ADMINISTRATION

- Support, and participate in the development of pathways for young people with diverse backgrounds to enter water and wastewater service careers to support public agencies.



- Work with the legislature and regulators to ensure that policy changes or regulatory requirements related to employer responsibilities are clearly defined to avoid situations that may jeopardize EMWD operations and leave public agencies vulnerable to legal challenge.
- Preserve the ability of public agencies to pursue locally negotiated strategies to address employee benefits, hiring, and termination policies and agreements.
- Express concern and opposition when transparency measures jeopardize critical infrastructure, result in the disclosure of ratepayer personal data, or result in unnecessary costs to public agencies.



TECHNOLOGY AND SECURITY

- Support efforts that would advance EMWD's Geographic Information System Master Plan which is geared towards supporting operations and provides real-time field data.
- Support efforts that would provide funding for enhanced physical security and cybersecurity for water infrastructure.
- Oppose efforts that would jeopardize water and wastewater plant security or expose sensitive infrastructure.
- Oppose actions that would require a water service provider to store, secure, communicate, or track data that is not germane to core EMWD functions.
- Oppose mandates or regulations that would require water systems to adopt specific or inflexible security measures, particularly in the area of cybersecurity.
- Advocate that new or expanded state or federal security requirements should be accompanied by funding assistance that helps utilities update threat assessments or implement other physical security enhancements.



EXTERNAL FUNDING AND OTHER FUNDING STREAMS

Policy Goal: Preserve the responsible and transparent use and development of general obligation bonds, revenue bonds, congressionally directed spending (earmarks), formation of community service districts, and other reliable funding streams as effective tools to advance projects, programs, and necessary infrastructure geared towards the sustainable delivery of public services.

- Advocate for the distribution of general obligation bond

funding in a geographically equitable manner to ensure that traditionally underfunded regions have an opportunity to access these resources.

- Support application of the “beneficiary pays” principle to those capital improvements and infrastructure projects that provide a direct and measurable benefit to ratepayers.
- Support the continued and effective deployment of State Revolving Funds (SRF), including policies that would allow for beneficial projects to be listed on the SRF Intended Use Plans (IUP) and the issuance of principal forgiveness loans that provide valuable resources to advance critical infrastructure.
- Support the use of general obligation bonds that provide broad public benefit, fund projects in disadvantaged communities, and ensure an equitable division of grant and loan opportunities.
- Support the development of general obligation bonds or other funding streams that provide flexibility to local entities to leverage funds with other state, federal, or local resources.
- Support the continued funding of federal and state grant programs and congressionally directed spending to advance water infrastructure and supply projects, including water recycling, reuse, conservation, and desalination initiatives.
- Support “polluter pays” principle and source control efforts so EMWD customers are not responsible for funding clean-up efforts for pollution caused by outside parties.
- Oppose policies and efforts that could jeopardize EMWD’s bond rating and standing in the municipal bond market.



LOCAL AND IMPORTED WATER SUPPLIES

Policy Goal: Provide a safe, reliable, and cost-effective water supply that is sustainable and achieves an optimum balance of water resources including imported water, surface water, groundwater, wastewater treatment, reuse and resource recovery.

IMPORTED WATER SUPPLIES

- Support a comprehensive strategy in the Sacramento-San Joaquin Delta (Delta) that includes investment in Delta Conveyance and ecosystem restoration.
- Support efforts to effectively address subsidence of critical California water conveyance systems.
- Support the development of voluntary agreements as a means to improve habitat and flows in the Delta.
- Support implementation of the 2020 Water Resilience Portfolio and the 2022 California Water Supply Strategy, in a manner that recognizes the need to advance regionally appropriate solutions, while also carefully balancing the need for reliable imported water supplies.
- Support continued collaboration in the Colorado River Basin, including investments in science, salinity management and demand reduction.
- Support the construction of off-stream surface and groundwater storage projects, such as Sites Reservoir.
- Oppose federal investments in one time demand reductions that create a dynamic of “drought profiteering” with little to no long-term supply benefit.



GROUNDWATER STORAGE AND MANAGEMENT

- Support reliable communication, timely plan review, and technical assistance to groundwater sustainability agencies as they seek to advance Sustainable Groundwater Management Act goals.
- Support flexibility for Sustainable Groundwater Agencies as they seek to pursue monitoring and project implementation, hold groundwater pumpers accountable, and determine involvement with other government agencies, including counties that have a key role in well permit approvals.
- Support and pursue opportunities for local integrated groundwater management and provide flexibility for local water managers to seek interregional and watershed scale planning efforts.
- Support regulations and permit streamlining to help EMWD advance its Purified Water Replenishment program and other innovative reuse and groundwater recharge programs.

BRACKISH GROUNDWATER DESALINATION

- Seek opportunities to advance partnerships with universities, state and federal agencies, private business, and other institutions for the development of improved desalination and brine disposal and concentration technologies, and support innovations to address groundwater impairments.
- Support opportunities to promote EMWD's successful brackish desalination program, as well as acknowledge brackish desalination efforts in general, as it will continue to play a major role in meeting California's future water needs.
- Oppose efforts that would reduce or eliminate the ability to utilize the Santa Ana River Interceptor (SARI) (brine line) due to mandatory reductions in ocean water discharge.



WASTEWATER

- Support efforts to inform the public on proper disposal of materials including nonwoven disposable wipes, fats, oils, and grease to protect and support reliable sewer-system operation.
- Promote the collection of stormwater data and monitoring techniques to quantify actual costs, feasibility, and water resource benefits prior to advancing stormwater capture directives and preserve the flexibility of wastewater treatment plant operators to make these investments.
- Prioritize septic-to-sewer conversion opportunities and continue to bring awareness to the needs and impacts that exist in some of the communities within the EMWD service area.
- Support cost effective management of biosolids and oppose regulatory hurdles that unnecessarily restrict the transportation or land application of biosolids.
- Oppose efforts to designate PFAS as a hazardous substance under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) which do not fully shield water and wastewater agencies from liability exposure.

RECYCLED WATER

- Support recycled water use goals that expand its use as a sustainable and efficient water supply.
- Support the use of recycled water for recreational or other beneficial uses, such as agriculture, in a manner that protects public health and safety.
- Support salinity management opportunities as a strategy to improve the sustainability and reliability of recycled water resources.
- Support the completion of research that is consistent with the California Water Reuse Action Plan to complete the following:
 - Measurement and removal of contaminants at increasingly lower regulated levels;
 - Revising regulatory requirements and their application to recycled water end users;
 - Prepare and respond to climate change impacts including flood and drought;
 - Examine the effectiveness of alternative treatment trains; and
 - Advancing new and increased uses of recycled water.
- Support efforts to promote and incentivize the expanded application of potable reuse projects.
- Support recycled water use for recharge in groundwater basins while ensuring water quality that protects public health.
- Require consultation and communication with public agencies that operate a centralized recycled water system when seeking to expand use of graywater or onsite recycled water systems.
- Oppose efforts advancing or mandating the application of graywater or onsite recycled water systems in areas that have invested in a dedicated centralized recycled water system, or where such decentralized systems will jeopardize current or future investments in centralized recycled water systems.
- Oppose efforts that would restrict or eliminate the ability of water or recycled water system operators to mandate the use and regular testing of backflow prevention devices.



WATER CONSERVATION AND INTEGRATED WATER MANAGEMENT PLANNING

- Support measures at the state and federal level to make water conservation rebates exempt from being considered taxable income.
- Support state and federal programs, such as USBR's WaterSMART, which promote water conservation activities undertaken by water providers in the West.
- Support coordination with local planning and land-use agencies to require water efficient landscaping in new development.
- Ensure that all conservation mandates consider secondary impacts to aggressive indoor water use efficiency standards on potable reuse and wastewater operations.
- Oppose mandated conservation measures that circumvent a local water providers conservation objectives and solutions.



CLIMATE CHANGE, RESILIENCY, AND REGULATORY COMPLIANCE

Policy Goal: Deploy effective strategies to address climate change impacts and ensure water resilience, while recognizing the unique characteristics and challenges of each region. Further ensure that all efforts to mitigate impacts from climate change, water quality, and other regulatory mandates are grounded in science and advanced through a transparent and collaborative manner.

CLIMATE CHANGE AND GREENHOUSE GAS EMISSIONS REDUCTION

- Support large-scale water infrastructure improvements that will make California more resilient to increasingly extreme weather cycles.
- Support collaboration and communication between state and federal agencies to create opportunities for partnerships.

- Support voluntary water transfers as a means to address water supply resiliency and reduce the impacts of drought.
- Support the pursuit of voluntary methods to address and advance biodiversity, conservation, and preservation related efforts related to advancing 30 x 2030 strategies.
- Support cost-effective solutions to address state and local air quality measures and reduce greenhouse gas emissions.
- Support coordinated emergency response mechanisms to reduce vulnerability to wildfire, flood, drought, and other climate change-related events.



ENVIRONMENTAL AND REGULATORY COMPLIANCE

- Support the continued availability of exemptions from air quality regulators as public agencies pursue conversion of fleet vehicles to alternative fuel and ZEV, recognizing that some technologies are not readily available or may be cost-prohibitive.
- Support cooperative efforts between public agencies and regulators as they develop state and federal policies and regulatory requirements to address:
 - Air quality mandates;
 - Thresholds for criteria and toxic pollution reporting;
 - Constituents of emerging concern and other water quality issues;
 - Costly and time-consuming data requests; and
 - Mandatory electrification requirements.
- Support efforts to advance a “polluter pays” or source control principle to hold polluters accountable.
- Support control methods for the mitigation and elimination of invasive species.
- Support Public Safety Power Shutoff (PSPS) policies that would narrow the scope and duration of PSPS events and encourage more timely notification procedures.
- Support reforms to inverse condemnation laws to allow for those utilities that are negligent in their duties to still be held accountable.
- Support reasonable reforms to the CEQA and National Environmental Policy Act (NEPA) that would establish

process reliability and reduce unnecessary or unfounded legal challenges.

- Support federal legislation to extend the maximum term for National Pollutant Discharge Elimination System (NPDES) permits under the Clean Water Act to better reflect the construction schedules for wastewater agencies.

ENERGY AND RENEWABLE ENERGY

- Support funding opportunities for investment in back-up energy storage, and other infrastructure needs to prepare public agencies to address PSPS events, prepare for broader deployment of ZEV fleet vehicles, and support efforts to manage energy use.
- Support an “all-of-the-above” approach as a tool to reduce energy reliance and advance a broader renewable energy portfolio.
- Support broader acknowledgement and investment in cogeneration at wastewater treatment plants as a reliable renewable fuel source.
- Support efforts to promote biosolids as an alternative, renewable fuel source and promote the use of innovate products derived from biosolids.







EASTERN MUNICIPAL WATER DISTRICT

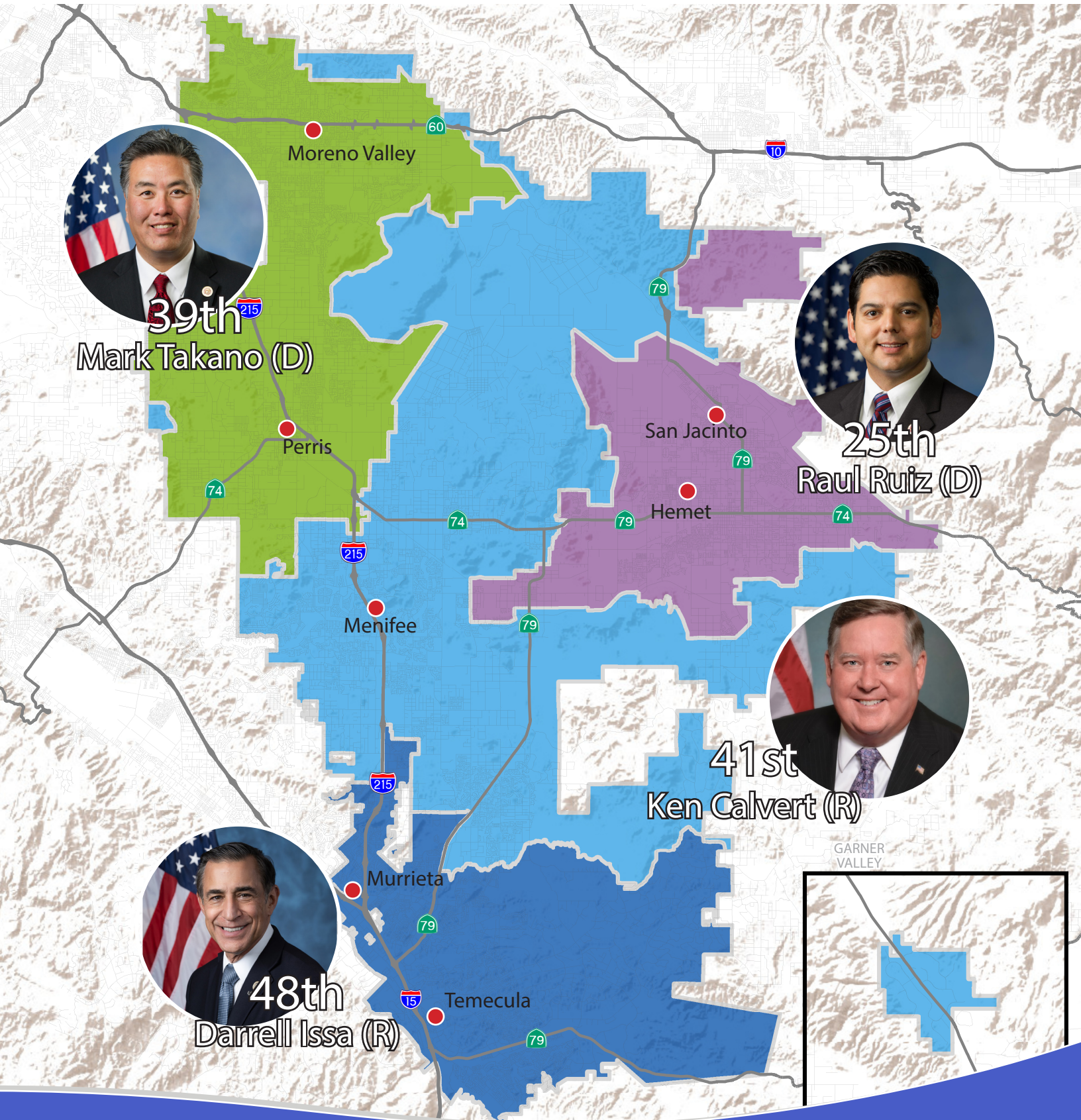
A

Main Office

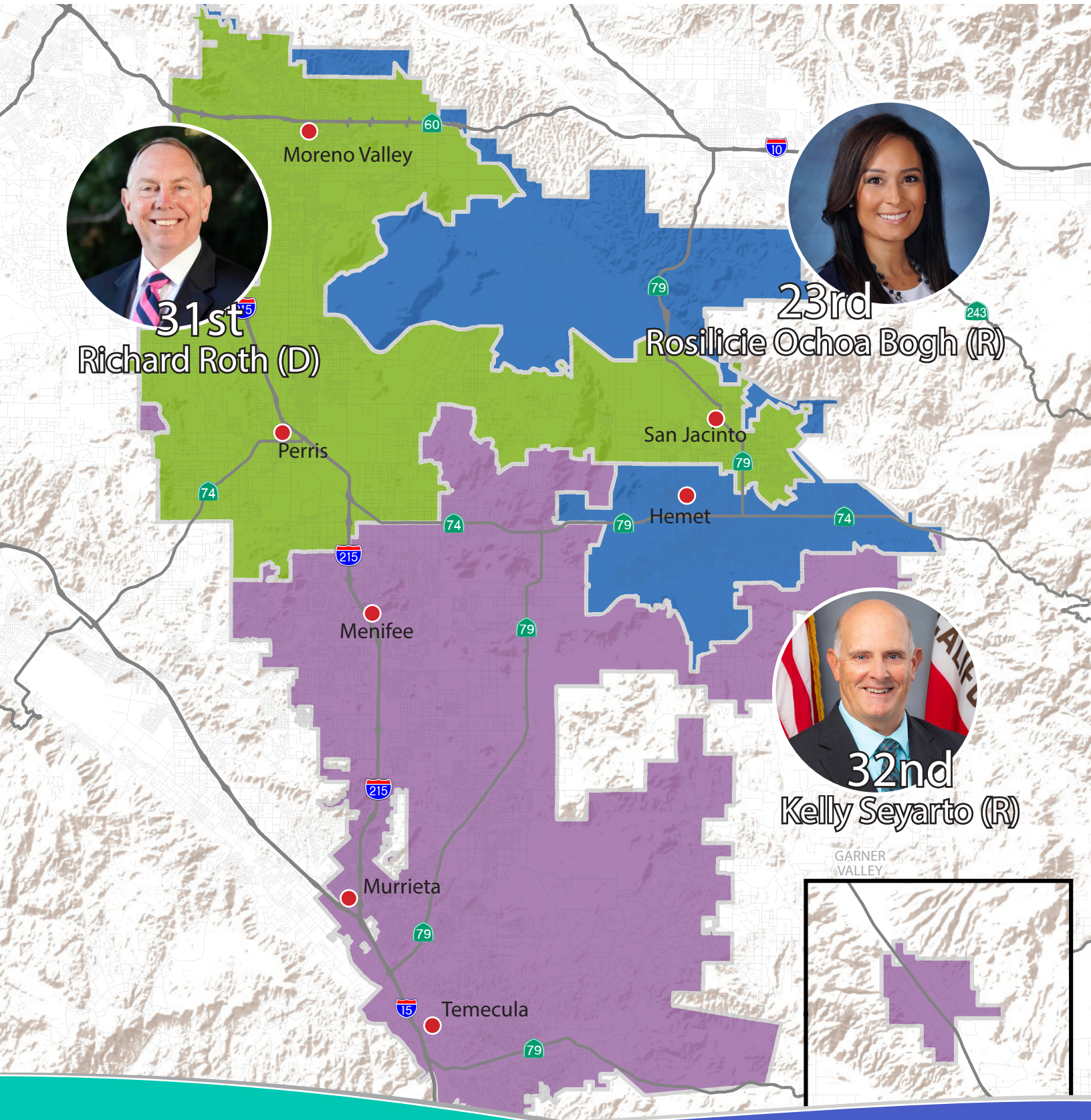
LEGISLATIVE MAPS

THIS PAGE INTENTIONALLY LEFT BLANK

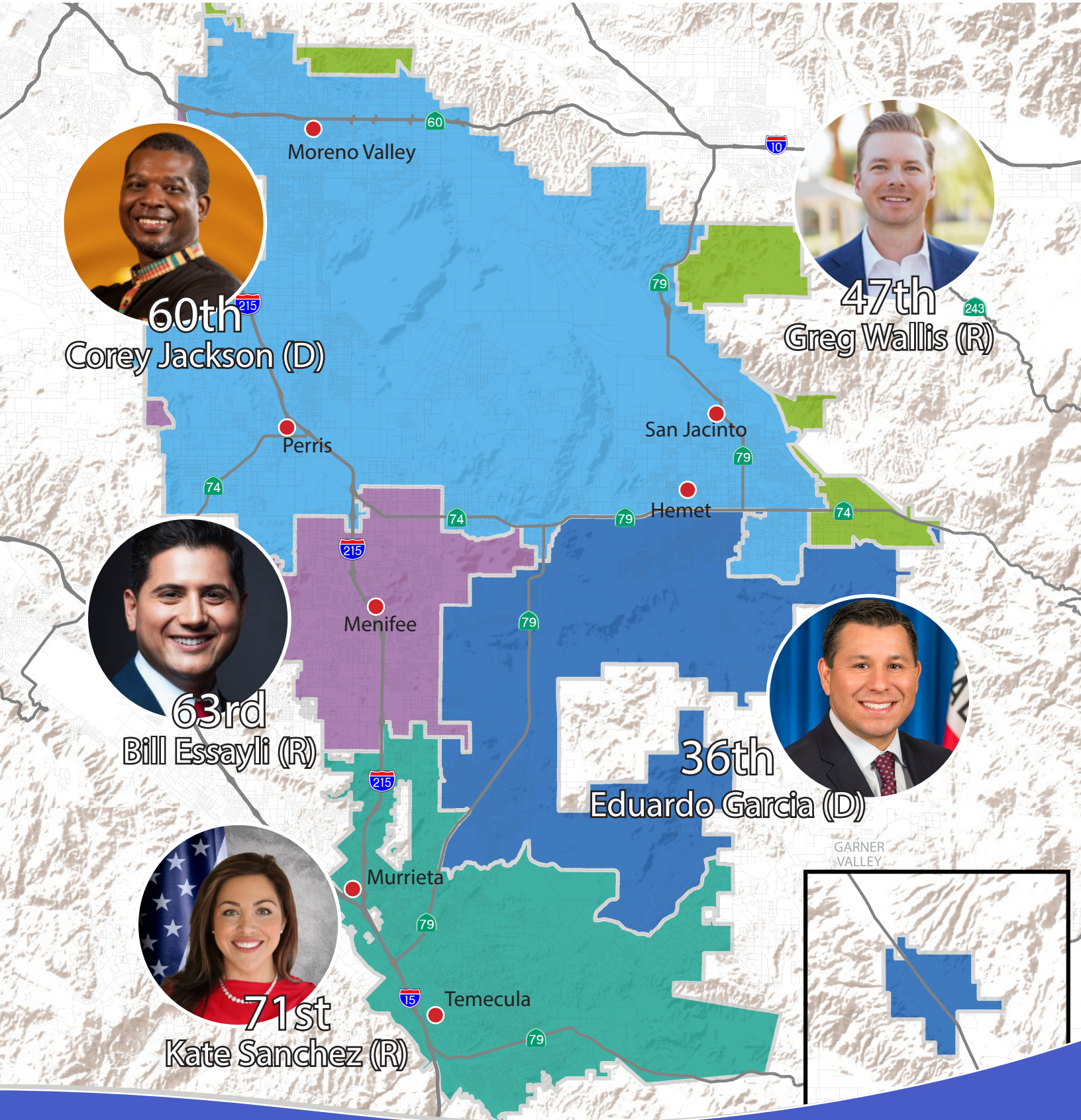
EMWD SERVICE AREA | U.S. HOUSE OF REPRESENTATIVES



EMWD SERVICE AREA | STATE SENATORIAL DISTRICTS



EMWD SERVICE AREA | STATE ASSEMBLY DISTRICT



60th
Corey Jackson (D)



47th
Greg Wallis (R)



63rd
Bill Essayli (R)



36th
Eduardo Garcia (D)



71st
Kate Sanchez (R)





| APPENDIX

THIS PAGE INTENTIONALLY LEFT BLANK

APPENDIX

2023 STATE AND FEDERAL LEGISLATIVE PROGRAM

GLOSSARY OF TERMS

AB

State Assembly Bill

ACA

Assembly (authored) Constitutional Amendment: A proposed change in the state Constitution, which, after approval of two-thirds of the legislators, is submitted to the voters

ACR

Assembly Concurrent Resolution: A measure that can be introduced in either house but must be approved by both houses and filed with the Secretary of State to take effect. These measures usually involve the business of the Legislature

AJR

Assembly Joint Resolution: A legislative opinion on matters pertaining to the federal government, often urging passage or defeat of legislation pending before Congress

Chaptered

When a bill has been passed by the Legislature and enacted into law, the Secretary of State assigns the bill a “chapter number” which is subsequently used to refer to the measure in place of the bill number

(D)

Democratic Party Affiliated

Failed

A bill that does not pass the Legislature

Gutted and Amended

When amendments to a bill remove the current contents in their entirety and replace them with different provisions

HR

Bill originating in the House of Representatives

(I)

Independent

LAT

Legislative Action Team (EMWD)

Measure

A bill, resolution or constitutional amendment considered by the Legislature

(R)

Republican Party Affiliated

S

A bill originating in the United States Senate

SB

State Senate Bill

SCA

Senate (authored) Constitutional Amendment (see ACA)

SCR

Senate Concurrent Resolution (see ACR)

SJR

Senate Joint Resolution (see AJR)

SR

Senate Resolution

Two-Year Bill

A bill that does not pass the Legislature in the first year of the two-year session, can be considered in the second year

Veto

The Governor’s formal rejection of a measure passed by the Legislature

LEGISLATIVE BILL POSITIONS

POSITION	POSITION DEFINITION AND ACTION
Sponsor Priority: A	The legislation is initiated by EMWD. EMWD staff/counsel drafts the bill, requests ACWA, CASA, or another organization to co-sponsor the bill, and then finds a member of the Legislature to introduce the bill. Staff works to advance the measure through the legislative process by writing letters and contacting legislators and the Governor's office; negotiates with stakeholders to address concerns and solicits support. Attends committee hearings to provide testimony and technical information.
Support Priority: A	The legislation furthers the goals of EMWD and is consistent with its Strategic Plan. EMWD staff notifies the author and sponsor of the bill, in writing, that EMWD supports the measure, then sends support letters, and contacts other members of the Legislature and committee consultants to solicit support. Monitors progress of the bill, watches for amendments that may change EMWD's position. Works with coalitions or organizations such as ACWA, CASA, CSDA, MWD, and SAWPA to encourage the bill's passage.
Support if Amended Priority: A	Generally positive legislation, however if amendments were made EMWD could support it. EMWD staff works with the author and sponsor of the bill, and organizations such as ACWA, CASA, CSDA, MWD, and SAWPA to incorporate amendments that will align the bill to EMWD's mission and goals. Monitors the bill for amendments that may change the EMWD's position.
Oppose Priority: A	The legislation will have a detrimental effect on EMWD and its constituents. EMWD staff notifies the bill's author and sponsor, members of the Legislature, committee consultants, and the Governor's office of EMWD concerns and requests opposition. Staff works with coalitions and/or organizations such as ACWA, CASA, CSDA, MWD, and SAWPA to kill the bill. Testifies at hearings against the bill and continues to monitor and urge opposition.
Oppose Unless Amended Priority: A	Generally negative legislation; however with specific amendments EMWD may remove its opposition. EMWD staff works with the bill's author and sponsor, and organizations such as ACWA, CASA, CSDA, MWD, and SAWPA to amend the bill so EMWD is not negatively impacted by the measure.

LEGISLATIVE BILL POSITIONS

POSITION	POSITION DEFINITION AND ACTION
Favor/Support Not Favor/Oppose Priority: B	EMWD agrees or disagrees with certain provisions, but the bill will not have a significant impact on EMWD. EMWD staff monitors, as well as supports or opposes these bills in concept; no action is taken.
Concerns Priority: A	The legislation includes elements that are concerning or could negatively impact EMWD, however the author has expressed an interest in working with stakeholders on the issue. Provides an opportunity for EMWD to engage in conversations on legislation with a willingness to modify the position if the circumstances or outstanding language is addressed. Submits letters, engages on working groups, and works with coalitions to draft amendments to the bill language.
Watch Priority: C	The bill does not have a direct impact on EMWD. EMWD staff monitors the bill and watches for amendments that may alter the bill and prompt EMWD action.
Neutral Priority: D	The bill has no impact on EMWD. No action or monitoring is required.

BILL CATEGORY EXPERTS

SUBJECT	LEGISLATIVE ACTION TEAM MEMBER(S)	EMWD EXPERT(S)
Air Quality and Priority Reserve	Al Javier	Alison Torres
Alternative Energy Sources	Dan Howell; Matthew Melendrez	Sam Robinson
Assessment, Fees, and Charges	Laura Nomura; John Adams	
Beneficiaries Pay Principle	Jolene Walsh	
Biodiesel/Biogas	Al Javier; Matthew Melendrez	Abdiel Picazo
Biosolids	Al Javier; Matthew Melendrez	
Brown Act/Open Meeting Laws		Steven O'Neill
Delta Solution (Bay Delta Conservaion Plan, budget, environmental water account, governance, water storage, water conservation)	Jolene Walsh	
California Endangered Species Act	Al Javier	
California Environmental Quality Act	Al Javier	
Colorado River Resources	Jolene Walsh	
Commissions and Agencies	Jolene Walsh	
Community Facilities District	Laura Nomura; John Adams	Thomas Hays
Constituents of Emerging Concern	Al Javier; Matthew Melendrez	
Cross-Connection Control/Backflow	Al Javier	Jim Lee
Desalination and Brine Disposal	Matthew Melendrez	Phil Lancaster
Elections, Initiative, and Referendum	Jolene Walsh	
Eminent Domain, Inverse Condemnation		Chris Teague
Employment and Employee Relations (prevailing wage, public agency employees)	Laura Nomura	Jennifer Dancho

BILL CATEGORY EXPERTS

SUBJECT	LEGISLATIVE ACTION TEAM MEMBER(S)	EMWD EXPERT(S)
Energy and Utilities (conservation, demand reduction, generation, rates/regulation (Public Utilities Commission))	Matthew Melendrez; Dan Howell	Sam Robinson
Finance and Investments	Laura Nomura	Traci Lee; Thomas Hays
Fish and Wildlife Protection	Al Javier	
Flood Protection, Flood Plain Management, and Levees	Al Javier; Jolene Walsh	
Grants and Loans		Vincent Lopez; Nicolette Jonkhoff
Graywater	Al Javier	Jim Lee
Grease Traps/Interceptors	Matthew Melendrez	
Groundwater/Conjunctive Use/Integrated Resource and Resilience Plans	Al Javier; Tom Henderson	
Identity Theft		Mike Malone; Steven O'Neill
Information Systems		Mike Malone
Insurance and Liability	Doug Hefley	
Integrated Regional Water Management Planning		Lanaya Voelz Alexander
Local Area Formation Comissions (LAFCO)	Dan Howell	
Land Use and Planning	Dan Howell	Chris Teague
Metropolitan Water District of Southern California	Jolene Walsh	
Natural Community Conservation Plans (NCCP)	Al Javier	
Natural Disasters	Matthew Melendrez; Doug Hefley	

BILL CATEGORY EXPERTS

SUBJECT	LEGISLATIVE ACTION TEAM MEMBER(S)	EMWD EXPERT(S)
Notary Public		Michelle Herrington
Occupational Safety and Health	Doug Hefley	
Parks, Recreation and Body Contact	Al Javier	Jim Lee
Political Reform Act		Steven O'Neill
Pollution Prevention	Al Javier	
Prevailing Wage/Labor Compliance	Dan Howell	Bruce Mitzel; Amy Eichperger
Property Tax and Educational Revenue Augmentation Fund (ERAF)		Thomas Hays
Public Contracts (Competitive Bidding)/ Public Works	Dan Howell	Bruce Mitzel; Amy Eichperger; Chris Teague
Public Employees Retirement System (PERS)		Jennifer Dancho
Public Records Act		Michelle Herrington
Recycled Water	Al Javier; Matthew Melendrez	Jim Lee
Redevelopment	Laura Nomura	
Regional Boards	Al Javier; Matthew Melendrez	
Reserves for special districts	Laura Nomura	
Safe Drinking Water	Al Javier	Michelle Karras
Salinity Management	Al Javier; Tom Henderson	
Source Control	Al Javier	
State Boards	Al Javier; Matthew Melendrez	
State Budget	Jolene Walsh; Laura Nomura	

BILL CATEGORY EXPERTS

SUBJECT	LEGISLATIVE ACTION TEAM MEMBER(S)	EMWD EXPERT(S)
Subdivision Map Act		Steven O'Neill
Urban Water Management Planning Act		Lanaya Voelz Alexander
Wastewater Treatment	Matthew Melendrez	Lanaya Voelz Alexander
Water Bonds		Vincent Lopez; Nicolette Jonkhoff
Water Quality (Hazardous substances/toxics, nonpoint sources, solid waste, underground storage tanks)	Al Javier	
Water Quality Laboratory	Al Javier	Andrew Rozenstraten
Water Resources Development	Tom Henderson	
Water Rights	Tom Henderson	
Water Softeners	Al Javier	
Water Supply Assessments		Lanaya Voelz Alexander
Water Transfers (water marketing, wheeling)		Lanaya Voelz Alexander
Water Use Efficiency, Water Conservation		Jenna Shimmin; Lanaya Voelz Alexander
Watershed Protection	Al Javier	
Wetlands	Al Javier	

STANDING COMMITTEE ABBREVIATIONS

SENATE COMMITTEES

Agriculture	AGRI
Appropriations	APPR
Banking and Financial Institutions	BF&I
Budget and Fiscal Review	B&FR
Business Professions and Economic Development	BP&ED
Education	ED
Elections and Constitutional Amendments	ELEC&CA
Emergency Management	EM
Energy, Utilities and Communications	EU&C
Environmental Quality	EQ
Governance and Finance	GOV&FIN
Governmental Organization	GO
Health	HEALTH
Housing	HOUSE
Human Services	HUMANSVS
Insurance	INS
Judiciary	JUD
Labor, Public Employment and Retirement	L,PE&R
Military and Veterans Affairs	M&VA
Natural Resources and Water	NR&W
Privacy and Consumer Protection	P&CP
Public Safety	PUBSAFE
Rules	RULES
Transportation	TRANS

STANDING COMMITTEE ABBREVIATIONS

ASSEMBLY COMMITTEES

Accountability and Administrative Review	ACTBTY&ADMR
Aging and Long-Term Care	A<C
Agriculture	AGRI
Appropriations	APPR
Arts, Entertainment, Sports Tourism and Internet Media	AEST&IM
Banking and Finance	B&F
Budget	BUDG
Business and Professions	BUS&PROF
Communications and Conveyance	COM&CONV
Education.....	ED
Elections and Redistricting	E&R
Environmental Safety and Toxic Materials.....	ENVS&TOXM
Governmental Organization.....	GO
Health	HEALTH
Higher Education.....	HIED
Housing and Community Development.....	H&CD
Human Services	HUMANSVS
Insurance	INS
Jobs, Economic Development, and the Economy	JED&E
Judiciary.....	JUD
Labor and Employment.....	L&E
Local Government.....	LGOV
Military and Veterans Affairs.....	M&VA
Natural Resources.....	NATRES
Public Employment and Retirement	PE&R
Public Safety.....	PUBSAFE
Revenue and Taxation.....	REV&TAX
Rules	RULES
Transportation	TRANS
Utilities and Energy.....	U&E
Veterans Affairs.....	VA
Water, Parks, and Wildlife	WP&W

THIS PAGE INTENTIONALLY LEFT BLANK

THIS PAGE INTENTIONALLY LEFT BLANK

ANNUAL
LEGISLATIVE
REPORT 2023

