

Assembly California Legislature Committee on Rules

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RIVAS, ROBERT
WICKS, BUFFY

DIEP, TYLER (R-ALT) LEVINE, MARC (D-ALT)

Monday, July 1, 2019 10 minutes prior to Session State Capitol, Room 3162

CONSENT AGENDA

BILL REFERRALS

1.	Bill Referrals		Page 2
RES	SOLUTIONS		
2.	HR-45 (Maienschein)	The 4th of July.	Page 4
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REC	QUESTS TO ADD URGI	ENCY CLAUSE	
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CHIEF ADMINISTRATIVE OFFICER **DEBRA GRAVERT**



VICE CHAIR JORDAN CUNNINGHAM

MEMBERS

WENDY CARRILLO **HEATH FLORA** TIMOTHY S. GRAYSON SYDNEY KAMLAGER-DOVE **BRIAN MAIENSCHEIN DEVON J. MATHIS** SHARON QUIRK-SILVA JAMES C. RAMOS ROBERT RIVAS **BUFFY WICKS**

MARC LEVINE (D-ALT.) TYLER DIEP (R-ALT.)

Memo

To: **Rules Committee Members**

From: Michael Erke, Bill Referral Consultant

Date: 6/28/19

Re: Consent Bill Referrals

Since you received your preliminary list of bill referrals, SB 315 has been removed from the list of referrals.

REFERRAL OF BILLS TO COMMITTEE

07/01/2019

Pursuant to the Assembly Rules, the following bills were referred to committee:

Assembly Bill No. Committee:

ACR 107 TRANS.

HR 44 JUD.

HR 46 RLS.

HR 47 RLS.

SCR 29 HIGHER ED.

SCR 60 RLS.

No. 45

Introduced by Assembly Member Maienschein (Coauthor: Assembly Member Cooley)

June 18, 2019

House Resolution No. 45—Relative to the 4th of July.

WHEREAS, July 4, 2019, marks the 243rd anniversary of the signing of the Declaration of Independence, and by the adoption

of that document—formally entitled, "The unanimous Declaration

4 of the thirteen United States of America"—the nation we today

5 know as the United States of America officially came into being,

6 an occasion forever memorialized by President Abraham Lincoln

7 in the words of his Gettysburg Address as when "... our fathers

8 brought forth upon this continent a new nation, conceived in liberty,

9 and dedicated to the proposition that all men are created equal"; 10 and

WHEREAS, On June 7, 1776, in Philadelphia, Pennsylvania, at a location today known as Independence Hall, Virginia delegate

at a location today known as Independence Hall, Virginia delegate
 Richard Henry Lee brought the following resolution before the

14 Second Continental Congress of the United Colonies: "Resolved,

15 That these United Colonies are, and of right ought to be, free and

16 independent states, that they are absolved from all allegiance to

the British Crown, and that all political connection between them

18 and the state of Great Britain is, and ought to be, totally dissolved

19"; and

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WHEREAS, On June 8, 1776, Lee's resolution was referred to a committee of the whole of the Continental Congress, at which

22 time they spent most of that day, as well as June 10th, debating

23 independence; and

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WHEREAS, On June 11, 1776, a "Committee of Five"—with Thomas Jefferson of Virginia being picked unanimously as its first member, and also including John Adams of Massachusetts, Benjamin Franklin of Pennsylvania, Robert R. Livingston of New York, and Roger Sherman of Connecticut—was charged with drafting a declaration of independence for consideration by the Continental Congress; and

WHEREAS, The members of the "Committee of Five" assigned Jefferson the task of producing a draft declaration, and on June 28, 1776, he produced a draft that, with minor changes by the committee members, was forwarded to the Congress for its further consideration; and

WHEREAS, On July 2, 1776, the Second Continental Congress adopted the Lee resolution upon the affirmative vote of 12 of the 13 colonial delegations, an occasion that delegate and future President John Adams detailed to his wife Abigail in a letter written July 3, 1776, as follows: "Yesterday the greatest Question was decided, which ever was debated in America, and a greater perhaps, never was or will be decided among Men"; and

WHEREAS, On July 4, 1776, after further debate and changes to the committee document, the Continental Congress adopted the Declaration of Independence establishing the United States of America, to which John Hancock that day affixed his signature, with 55 other delegates representing the 13 colonies—now states of the newly created nation—signing the declaration within the next several weeks; and

WHEREAS, July 4 is a day unlike any other—in the history of the United States of America, and indeed, the world—in that not only is it the day that an infant nation formally defied the most powerful empire on earth in a quest for freedom, liberty, and independence, but even more importantly because on that day this new nation declared as a "self-evident truth"—known and knowable to all persons at all times in all places throughout the world—the radical notion that "all men are created equal ... endowed by their Creator with certain unalienable rights, that among these are life, liberty and the pursuit of happiness"; and

WHEREAS, Since its adoption and bold pronouncement more than two centuries ago, the Declaration of Independence and the principles which animate that timeless document have inspired literally billions of persons around the world to pursue freedom in -3- HR 45

their own nation, for themselves and their own loved ones, and for their fellow men and women, and remain today an imperfectly unrealized goal to which all Americans and all who cherish liberty must rededicate themselves, just as the drafters and signers of the Declaration of Independence did by declaring: "with a firm reliance on the protection of divine Providence, we mutually pledge[d] to each other our Lives, our Fortunes and our sacred Honor"; and

WHEREAS, On this and every July 4th, it is both proper and fitting that the institutions of California government, and indeed all Californians, express heartfelt gratitude and indebtedness to those men and women who have served in the Armed Forces of the United States, and in particular to those who have suffered the injuries of battle and who have made the ultimate sacrifice in protecting freedom and liberty around the world, recalling the words of President Abraham Lincoln that, as a result of their profound sacrifice, "... this nation, under God, shall have a new birth of freedom — and that government of the people, by the people, for the people, shall not perish from the earth"; now, therefore, be it

Resolved by the Assembly of the State of California, That the Assembly of the State of California does—and intends to every year immediately preceding the 4th of July—take this opportunity to recognize and celebrate July 4, 2019, and the 243rd anniversary of the birth of our great nation and the signing of the Declaration of Independence that this day represents; and be it further

Resolved, That the Assembly of the State of California calls upon all the people of the great State of California, and the United States of America, to take the opportunity of the 4th of July holiday to obtain a greater knowledge and understanding of the facts and circumstances that compelled the 13 original colonies to declare their independence, and of the timeless principles of liberty, equality, and self-determination that rest at the heart of the Declaration of Independence; and be it further

Resolved, That the Assembly of the State of California, on behalf of a grateful citizenry, hereby expresses its heartfelt thanks, appreciation, and prayers to all who have served—and who currently serve—in the Armed Forces of the United States, in recognition of the countless sacrifices and the indispensable role these brave men and women have played even before the founding of our nation on July 4, 1776, in preserving, protecting, and

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- defending the freedoms and liberties of all Americans, and
- expanding freedom throughout the world; and be it further *Resolved,* That the Chief Clerk of the Assembly shall make
- 4 available suitable copies of this resolution for distribution by 5 Members of the Assembly of the State of California.

O

Date of Hearing: July 1, 2019

ASSEMBLY COMMITTEE ON RULES Ken Cooley, Chair

HR 45 (Maienschein) – As Introduced June 18, 2019

SUBJECT: The 4th of July.

SUMMARY: Recognizes and celebrates the July 4, 2019, and the 243rd anniversary of the birth of our nation and the signing of the Declaration of Independence. Specifically, **this resolution** makes the following legislative findings:

- 1) July 4, 2019, marks the 243rd anniversary of the signing of the Declaration of Independence, and by the adoption of that document formally titled, "The unanimous Declaration of the thirteen United States of America", the nation we today know as the United States of America officially came into being. This occasion was memorialized by President Abraham Lincoln in the words of his Gettysburg Address as when "...our fathers brought forth upon this continent a new nation, conceived in liberty, and dedicated to the proposition that all men are created equal."
- 2) On June 7, 1776, Richard Henry Lee brought forth a resolution, which resolved that the colonies should be "free and independent states...and that all political connection between them and the state of Great Britain, is, and ought to be, totally dissolved...." After several days of debate, a "Committee of Five", which included Thomas Jefferson of Virginia, John Adams of Massachusetts, Benjamin Franklin of Pennsylvania, Robert R. Livingston of New York, and Roger Sherman of Connecticut, was charged with drafting a declaration of independence for consideration by the Continental Congress.
- 3) On July 4, 1776, after further debate and changes to the committee document, the Continental Congress adopted the Declaration of Independence establishing the United States of America; and, John Hancock that day affixed his signature, with 55 other delegates representing the 13 colonies now states of the newly created nation signing the declaration within the next several weeks.
- 4) Since its adoption and bold pronouncement more than two centuries ago, the Declaration of Independence has inspired persons around the world to pursue freedom in their own nation, for themselves and their loved ones. Americans must rededicate themselves just as the drafters and signers of the Declaration of Independence did more than two centuries ago.
- 5) On this and every July 4th, it is both proper and fitting that the institutions of California government, and all Californians express gratitude and indebtedness to those who have served in the Armed Forces of the United States, and in particular, to those who have suffered the injuries of battle and who have made the ultimate sacrifice in protecting freedom and liberty around the world.

FISCAL EFFECT: None

REGISTERED SUPPORT / OPPOSITION:

Support

None on file

Opposition

None on file

Analysis Prepared by: Nicole Willis / RLS. / (916) 319-2800

Introduced by Senator Pan

April 4, 2019

Senate Concurrent Resolution No. 36—Relative to Cystic Fibrosis Awareness Month.

LEGISLATIVE COUNSEL'S DIGEST

SCR 36, as introduced, Pan. Cystic Fibrosis Awareness Month.
This measure would proclaim the month of May 2019 as Cystic Fibrosis Awareness Month.

Fiscal committee: no.

- 1 WHEREAS, Cystic fibrosis, a chronic and progressive systemic
- 2 disease, is the most common fatal genetic disease in the United
- 3 States, and one for which there is no known cure; and
- 4 WHEREAS, Approximately 30,000 children and adults in the
- 5 United States have cystic fibrosis and more than 1,000 new cases
- 6 are diagnosed each year, predominantly through newborn 7 screening; and
- WHEREAS, One of every 3,500 babies born in the United States is born with cystic fibrosis; and
- 10 WHEREAS, Due to progress in understanding the disease and
- 11 new therapeutic advances, the average life expectancy of
- 12 individuals recently diagnosed with cystic fibrosis is in the early
- 13 40s; and
- 14 WHEREAS, Despite advances in disease understanding and
- 15 new therapies, the median age of death for those with cystic fibrosis
- 16 is 30 years of age; and
- 17 WHEREAS, The federal Centers for Disease Control and
- 18 Prevention estimates that more than 12 million Americans are

 $SCR 36 \qquad -2-$

unknowing, symptomless carriers of the cystic fibrosis gene and have high odds of passing the gene to their children; and

WHEREAS, Prompt, aggressive treatment of the symptoms of cystic fibrosis can extend the lives of people who have the disease; and

WHEREAS, Recent advances in cystic fibrosis research have produced promising leads in gene, protein, and drug therapies beneficial to people who have the disease; and

WHEREAS, Cystic fibrosis research continues for potential therapies, and a nationwide network of care centers exists to improve the length and quality of life for individuals with cystic fibrosis, yet lives continue to be lost to this disease; and

WHEREAS, Cystic Fibrosis Research, Incorporated (CFRI) was formed in 1975 with a mission to fund research, provide education and personal support, and spread awareness of cystic fibrosis; and

WHEREAS, CFRI provides funding for innovative cystic fibrosis research at medical and academic centers nationwide to expand understanding of the disease process and to seek new therapies and ultimately a cure for this challenging multisystemic disease; and

WHEREAS, CFRI seeks to improve the quality of life for people with cystic fibrosis in California and the nation, as well as their family members, by providing psychosocial support programs; and

WHEREAS, Education of the public about cystic fibrosis, including the symptoms of the disease, increases knowledge and understanding of cystic fibrosis and promotes early diagnosis. CFRI serves as a vital link to the cystic fibrosis community in providing diverse educational resources; and

WHEREAS, Support for those impacted by cystic fibrosis, a rare disease, begins with the raising of public awareness. CFRI works within the cystic fibrosis community on both the state and national level to advocate for continued research, access to quality care, and the development of new therapies to extend and enhance lives; now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That the Legislature hereby proclaims the month of May 2019 as Cystic Fibrosis Awareness Month; and be it further

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Resolved, That the Legislature honors the goals and ideals of Cystic Fibrosis Awareness Month, so as to promote public awareness and understanding of cystic fibrosis; and be it further

Resolved, That the Legislature encourages early diagnosis and access to quality care for people with cystic fibrosis to improve the quality of their lives, advocates for increased support for people who have cystic fibrosis and their families, and supports research to find a cure for cystic fibrosis; and be it further

Resolved, That the Secretary of the Senate transmit copies of this resolution to the author for appropriate distribution.

O

Date of Hearing: July 1, 2019

ASSEMBLY COMMITTEE ON RULES Ken Cooley, Chair SCR 36 (Pan) – As Introduced April 4, 2019

SENATE VOTE: 38-0

SUBJECT: Cystic Fibrosis Awareness Month.

SUMMARY: Proclaims the month of May 2019 as Cystic Fibrosis Awareness Month. Specifically, **this resolution** makes the following legislative findings:

- 1) Cystic fibrosis, a chronic and progressive systemic disease, is the most common fatal genetic disease in the United States, and one for which there is no known cure.
- 2) Approximately 30,000 children and adults in the United States have cystic fibrosis and more than 1,000 new cases are diagnosed each year, predominantly through newborn screening.
- 3) The federal Centers for Disease Control and Prevention estimates that more than 12 million Americans are unknowing, symptomless carriers of the cystic fibrosis gene and have high odds of passing the gene to their children.
- 4) Due to the progress in understanding the disease and new therapeutic advances, the average life expectancy of individuals recently diagnosed with cystic fibrosis is in the early 40s; and, despite advances in disease understanding and new therapies, the median age of death for those with cystic fibrosis is 30 years of age.
- 5) Prompt, aggressive treatment of the symptoms of cystic fibrosis can extend the lives of people who have the disease; and, recent advances in cystic fibrosis research have produced promising leads in gene, protein, and drug therapies beneficial to people who have the disease.
- 6) Education of the public about cystic fibrosis, including the symptoms of the disease, increases knowledge and understanding of cystic fibrosis and promotes early diagnosis.

FISCAL EFFECT: None

REGISTERED SUPPORT / OPPOSITION:

Support

None on file

Opposition

None on file

Analysis Prepared by: Nicole Willis / RLS. / (916) 319-2800

AMENDED IN ASSEMBLY JUNE 27, 2019

AMENDED IN SENATE MAY 17, 2019

AMENDED IN SENATE MAY 7, 2019

AMENDED IN SENATE APRIL 29, 2019

AMENDED IN SENATE MARCH 11, 2019

SENATE BILL

No. 200

Introduced by Senator-Monning Monning and Assembly Members
Eduardo Garcia and Bloom
(Principal coauthor: Assembly Member Eduardo Garcia coauthors:
Senators Hurtado and Caballero)

January 31, 2019

An act to add Chapter 4.6 (commencing with Section 116765) to Part 12 of Division 104 of the Health and Safety Code, relating to water. An act to add Section 53082.6 to the Government Code, to amend Sections 39719, 100827, 116275, 116385, 116530, 116540, and 116686 of, and to add Chapter 4.6 (commencing with Section 116765) to Part 12 of Division 104 of, the Health and Safety Code, and to add Chapter 7 (commencing with Section 8390) to Division 4.1 of the Public Utilities Code, relating to drinking water, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 200, as amended, Monning. Safe and Affordable Drinking Water Fund. Drinking water.

(1) Existing law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. Existing law declares it to be the established policy of the state that

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every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

This bill would establish the Safe and Affordable Drinking Water Fund in the State Treasury to help water systems provide an adequate and affordable supply of safe drinking water in both the near and the long terms. The bill would authorize the state board to provide for the deposit into the fund of certain moneys and would continuously appropriate the moneys in the fund to the state board for grants, loans, contracts, or services to assist eligible recipients. The bill would require the state board, in consultation with the Department of Finance, to adopt a fund expenditure plan with specified contents and would require, on and after July 1, 2020, expenditures of the fund to be consistent with the plan. The bill would require, by January 1, 2021, the state board, in consultation with local health officers and other relevant stakeholders, to make publicly available, as specified, a map of aquifers that are used or likely to be used as a source of drinking water that are at high risk of containing contaminants that exceed safe drinking water standards. For purposes of the map, the bill would require local health officers and other relevant local agencies to provide all results of, and data associated with, water quality testing performed by certified laboratories to the state board, as specified. By imposing additional duties on local health officers and local agencies, the bill would impose a state-mandated local program.

The act provides for the operation of public water systems and authorizes the state board to contract with, or provide a grant to, an administrator to provide administrative, technical, operational, or managerial services, or any combination of those services, to a designated water system to assist with the provision of an adequate supply of affordable, safe drinking water. The act defines an administrator as a person whom the state board has determined is competent to perform the administrative, technical, operational, or managerial services required, as specified, and authorizes a privately owned public utility to serve as an administrator.

This bill would, among other things, authorize an administrator to additionally provide legal services pursuant to those provisions and to act, where the administrator is authorized to act on behalf of a designated public water system, on behalf of a voluntary participant, as defined. The bill would recast the authorization for a local agency

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or a privately owned public utility to serve as an administrator for these purposes.

The act prohibits a person from operating a public water system unless the person first submits an application to the state board and receives a permit to operate the system, as specified. The act authorizes the state board, if the state board determines that it is feasible for the service area of the public water system addressed by the application to be served by one or more currently permitted public water systems, to deny the permit of a proposed new public water system if it determines that it is reasonably foreseeable that the proposed new public water system will be unable to provide affordable, safe drinking water in the reasonably foreseeable future, as prescribed.

This bill would eliminate the requirement that the state board determine that it is reasonably foreseeable that the proposed new public water system will be unable to provide affordable, safe drinking water in the reasonably foreseeable future in order to deny the permit of a proposed new public water system.

The act defines a disadvantaged community for its purposes as an area, as specified, in which the median household income is less than 80% of the statewide average.

This bill would revise that definition to require a median household income of less than 80% of the statewide median household income level.

The act requires a public water system to submit a technical report to the state board as a part of the permit application or when otherwise required by the state board, as specified.

This bill would require a public water system to submit the report in the form and format and at intervals specified by the state board.

(2) Existing law requires a laboratory that performs analyses for regulatory purposes of drinking water, wastewater, hazardous waste, and contaminated soils or sediments to obtain certification or accreditation, as specified. Existing law requires, when a person or entity submits material to the laboratory for testing, the laboratory to report the results of all detected contaminants and pollutants to that person or entity.

This bill would require a laboratory accredited by the State Water Resources Control Board to also report the results of each drinking water analysis to the state board in the form or format and at intervals specified by the state board. SB 200 —4—

(3) The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The act authorizes the state board to include the use of market-based compliance mechanisms. Existing law requires all moneys, except for fines and penalties, collected by the state board as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation. Existing law continuously appropriates 35% of the annual proceeds of the fund for transit, affordable housing, and sustainable communities programs and 25% of the annual proceeds of the fund for certain components of a specified high-speed rail project.

This bill, beginning in the 2020–21 fiscal year, would require 5% of the annual proceeds of the Greenhouse Gas Reduction Fund, up to the sum of \$130,000,000, to be deposited into the Safe and Affordable Drinking Water Fund for the purposes of the Safe and Affordable Drinking Water Fund, subject to specified restrictions. The bill would require the Director of Finance, beginning in the 2023–24 fiscal year and until June 30, 2030, to calculate the sum to be transferred by the Controller from the General Fund to the Safe and Affordable Drinking Water Fund if the annual transfer from the annual proceeds of the Greenhouse Gas Reduction Fund is less than \$130,000,000 to equal a total transfer into the Safe and Affordable Drinking Water Fund of \$130,000,000, as specified.

(4) The Budget Act of 2019 appropriates \$100,000,000 from the Greenhouse Gas Reduction Fund and \$30,000,000 from the General Fund to the State Water Resources Control Board for support or local assistance to fund grants, loans, contracts, or services to help water systems provide safe and affordable drinking water.

This bill would require these moneys to be available for the purposes of the Safe and Affordable Drinking Water Fund, subject to specified restrictions.

- (5) This bill would provide that its provisions are severable.
- (6) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state,

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reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Existing law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. Existing law declares it to be the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

This bill would establish the Safe and Affordable Drinking Water Fund in the State Treasury to help water systems provide an adequate and affordable supply of safe drinking water in both the near and the long term. The bill would authorize the board to provide for the deposit into the fund of federal contributions, voluntary contributions, gifts, grants, and bequests and would provide that moneys in the fund are available, upon appropriation by the Legislature, to the board to fund grants, loans, contracts, or services to assist eligible recipients. The bill would require the board to adopt a fund implementation plan with specified contents and would require expenditures of the fund to be consistent with the plan. The bill would require, by January 1, 2021, the board, in consultation with local health officers and other relevant stakeholders, to make publicly available, as specified, a map of aquifers that are used or likely to be used as a source of drinking water that are at high risk of containing contaminants that exceed safe drinking water standards. For purposes of the map, the bill would require local health officers and other relevant local agencies to provide all results of, and data associated with, water quality testing performed by certified laboratories to the board, as specified. By imposing additional duties on local health officers and local agencies, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority²/₃. Appropriation: no-yes. Fiscal committee: yes. State-mandated local program: yes.

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The people of the State of California do enact as follows:

1 SECTION 1. Section 53082.6 is added to the Government Code, 2 to read:

- 53082.6. A local agency may serve as an administrator for the purposes of Section 116686 of the Health and Safety Code.
- 5 SEC. 2. Section 39719 of the Health and Safety Code is 6 amended to read:
- 7 39719. (a) The Legislature shall appropriate the annual 8 proceeds of the fund for the purpose of reducing greenhouse gas 9 emissions in this state in accordance with the requirements of 10 Section 39712.
 - (b) To carry out a portion of the requirements of subdivision (a), *the* annual proceeds *of the fund* are continuously appropriated for the following:
 - (1) Beginning in the 2015–16 fiscal year, and notwithstanding Section 13340 of the Government Code, 35 percent of *the* annual proceeds *of the fund* are continuously appropriated, without regard to fiscal years, for transit, affordable housing, and sustainable communities programs as following: *follows:*
 - (A) Ten percent of the annual proceeds of the fund is hereby continuously appropriated to the Transportation Agency for the Transit and Intercity Rail Capital Program created by Part 2 (commencing with Section 75220) of Division 44 of the Public Resources Code.
 - (B) Five percent of the annual proceeds of the fund is hereby continuously appropriated to the Low Carbon Transit Operations Program created by Part 3 (commencing with Section 75230) of Division 44 of the Public Resources Code. Funds Moneys shall be allocated by the Controller, according to requirements of the program, and pursuant to the distribution formula in subdivision (b) or (c) of Section 99312 of, and Sections 99313 and 99314 of, the Public Utilities Code.
- 32 (C) Twenty percent of the annual proceeds of the fund is hereby 33 continuously appropriated to the Strategic Growth Council for the 34 Affordable Housing and Sustainable Communities Program created 35 by Part 1 (commencing with Section 75200) of Division 44 of the 36 Public Resources Code. Of the amount appropriated in this 37 subparagraph, no less than 10 percent of the annual—proceeds,

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proceeds of the fund shall be expended for affordable housing, consistent with the provisions of that program.

- (2) Beginning in the 2015–16 fiscal year, notwithstanding Section 13340 of the Government Code, 25 percent of the annual proceeds of the fund is hereby continuously appropriated to the High-Speed Rail Authority for the following components of the initial operating segment and Phase I Blended System as described in the 2012 business plan adopted pursuant to Section 185033 of the Public Utilities Code:
 - (A) Acquisition and construction costs of the project.
 - (B) Environmental review and design costs of the project.
 - (C) Other capital costs of the project.

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- (D) Repayment of any loans made to the authority to fund the project.
- (3) (A) Beginning in the 2020–21 fiscal year, and until June 30, 2030, 5 percent of the annual proceeds of the fund, up to the sum of one hundred thirty million dollars (\$130,000,000), is hereby annually transferred to the Safe and Affordable Drinking Water Fund established pursuant to Section 116766 for the purposes of Chapter 4.6 (commencing with Section 116765) of Part 12 of Division 104.
- (B) Moneys transferred under this paragraph shall be used for the purpose of facilitating the achievement of reductions of greenhouse gas emissions in this state in accordance with the requirements of Section 39712 or to improve climate change adaptation and resiliency of disadvantaged communities or low-income households or communities, consistent with Division 25.5 (commencing with Section 38500). For purposes of the moneys transferred under this paragraph, a state agency may also comply with the requirements of paragraphs (2) and (3) of subdivision (a) of Section 16428.9 of the Government Code by describing how each proposed expenditure will improve climate change adaptation and resiliency of disadvantaged communities or low-income households or communities.
- (c) In determining the amount of annual proceeds of the fund for purposes of the calculation in subdivision (b), the funds subject to Section 39719.1 shall not be included.
- 38 SEC. 3. Section 100827 of the Health and Safety Code is 39 amended to read:

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100827. (a) A laboratory accredited by the department state board shall report, in a timely fashion and in accordance with the request for analysis, the full and complete results of all detected contaminants and pollutants to the person or entity that submitted the material for testing. The department state board may adopt regulations to establish reporting requirements for this section.

- (b) A laboratory accredited by the state board shall report the results of each drinking water analysis the laboratory conducts to the state board in the form or format and at intervals specified by the state board.
- 11 SEC. 4. Section 116275 of the Health and Safety Code is 12 amended to read:
 - 116275. As used in this chapter:

wholesome, and potable water.

- (a) "Contaminant" means any physical, chemical, biological, or radiological substance or matter in water.
 - (b) "Department" means the state board.
 - (c) "Primary drinking water standards" means:
- (1) Maximum levels of contaminants that, in the judgment of the state board, may have an adverse effect on the health of persons.
- (2) Specific treatment techniques adopted by the state board in lieu of maximum contaminant levels pursuant to subdivision (j) of Section 116365.
- (3) The monitoring and reporting requirements as specified in regulations adopted by the state board that pertain to maximum contaminant levels.
- (d) "Secondary drinking water standards" means standards that specify maximum contaminant levels that, in the judgment of the state board, are necessary to protect the public welfare. Secondary drinking water standards may apply to any contaminant in drinking water that may adversely affect the odor or appearance of the water and may cause a substantial number of persons served by the public water system to discontinue its use, or that may otherwise adversely affect the public welfare. Regulations establishing secondary drinking water standards may vary according to geographic and other circumstances and may apply to any contaminant in drinking water that adversely affects the taste, odor, or appearance of the water when the standards are necessary to ensure a supply of pure,

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(e) "Human consumption" means the use of water for drinking, bathing or showering, hand washing, oral hygiene, or cooking, including, but not limited to, preparing food and washing dishes.

- (f) "Maximum contaminant level" means the maximum permissible level of a contaminant in water.
- (g) "Person" means an individual, corporation, company, association, partnership, limited liability company, municipality, public utility, or other public body or institution.
- (h) "Public water system" means a system for the provision of water for human consumption through pipes or other constructed conveyances that has 15 or more service connections or regularly serves at least 25 individuals daily at least 60 days out of the year. A public water system includes the following:
- (1) Any collection, treatment, storage, and distribution facilities under control of the operator of the system that are used primarily in connection with the system.
- (2) Any collection or pretreatment storage facilities not under the control of the operator that are used primarily in connection with the system.
- (3) Any water system that treats water on behalf of one or more public water systems for the purpose of rendering it safe for human consumption.
- (i) "Community water system" means a public water system that serves at least 15 service connections used by yearlong residents or regularly serves at least 25 yearlong residents of the area served by the system.
- (j) "Noncommunity water system" means a public water system that is not a community water system.
- (k) "Nontransient noncommunity water system" means a public water system that is not a community water system and that regularly serves at least 25 of the same persons over six months per year.
- (*l*) "Local health officer" means a local health officer appointed pursuant to Section 101000 or a local comprehensive health agency designated by the board of supervisors pursuant to Section 101275 to carry out the drinking water program.
- (m) "Significant rise in the bacterial count of water" means a rise in the bacterial count of water that the state board determines, by regulation, represents an immediate danger to the health of water users.

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1 (n) "State small water system" means a system for the provision 2 of piped water to the public for human consumption that serves at 3 least five, but not more than 14, service connections and does not 4 regularly serve drinking water to more than an average of 25 5 individuals daily for more than 60 days out of the year.

- (o) "Transient noncommunity water system" means a noncommunity water system that does not regularly serve at least 25 of the same persons over six months per year.
- (p) "User" means a person using water for domestic purposes. User does not include a person processing, selling, or serving water or operating a public water system.
- (q) "Waterworks standards" means regulations adopted by the state board entitled "California Waterworks Standards" (Chapter 16 (commencing with Section 64551) of Division 4 of Title 22 of the California Code of Regulations).
- (r) "Local primacy agency" means a local health officer that has applied for and received primacy delegation pursuant to Section 116330.
- (s) "Service connection" means the point of connection between the customer's piping or constructed conveyance, and the water system's meter, service pipe, or constructed conveyance. A connection to a system that delivers water by a constructed conveyance other than a pipe shall not be considered a connection in determining if the system is a public water system if any of the following apply:
- (1) The water is used exclusively for purposes other than residential uses, consisting of drinking, bathing, and cooking, or other similar uses.
- (2) The state board determines that alternative water to achieve the equivalent level of public health protection provided by the applicable primary drinking water regulation is provided for residential or similar uses for drinking and cooking.
- (3) The state board determines that the water provided for residential or similar uses for drinking, cooking, and bathing is centrally treated or treated at the point of entry by the provider, a passthrough entity, or the user to achieve the equivalent level of protection provided by the applicable primary drinking water regulations.

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(t) "Resident" means a person who physically occupies, whether by ownership, rental, lease, or other means, the same dwelling for at least 60 days of the year.

- (u) "Water treatment operator" means a person who has met the requirements for a specific water treatment operator grade pursuant to Section 106875.
- (v) "Water distribution operator" means a person who has met the requirements for a specific water distribution operator grade pursuant to Section 106875.
- (w) "Water treatment plant" means a group or assemblage of structures, equipment, and processes that treats, blends, or conditions the water supply of a public water system.
- (x) "Water distribution system" means any combination of pipes, tanks, pumps, and other physical features that deliver water from the source or water treatment plant to the consumer.
- (y) "Public health goal" means a goal established by the Office of Environmental Health Hazard Assessment pursuant to subdivision (c) of Section 116365.
- (z) "Small community water system" means a community water system that serves no more than 3,300 service connections or a yearlong population of no more than 10,000 persons.
- (aa) "Disadvantaged community" means the entire service area of a community water system, or a community therein, in which the median household income is less than 80 percent of the statewide average. annual median household income level.
- (ab) "State board" means the State Water Resources Control Board.
- (ac) "Deputy director" means the deputy director appointed by the state board pursuant to subdivision (k) of Section 116271.
- SEC. 5. Section 116385 of the Health and Safety Code is amended to read:
- 116385. Any person operating a public water system shall obtain and provide at that person's expense an analysis of the water to the department, state board, in the form, covering those matters, and at intervals as the department state board by regulation may prescribe. The analysis shall be performed by a laboratory duly certified by the department. state board.
- 38 SEC. 6. Section 116530 of the Health and Safety Code is 39 amended to read:

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116530. (a) A public water system shall submit a technical report to the department state board as part of the permit application or when otherwise required by the department. state board. This report may include, but not be limited to, detailed plans and specifications, water quality information, and physical descriptions of the existing or proposed system, information related to technical, managerial, and financial-assurance information. capacity and sustainability, and information related to achieving the goals of Section 106.3 of the Water Code, including affordability and accessibility.

- (b) A public water system shall submit the report in the form and format and at intervals specified by the state board.
- SEC. 7. Section 116540 of the Health and Safety Code is amended to read:
- 116540. (a) Following completion of the investigation and satisfaction of the requirements of paragraphs (1) and (2), the state board shall issue or deny the permit. The state board may impose permit conditions, requirements for system improvements, technical, financial, or managerial requirements, and time schedules as it deems necessary to ensure a reliable and adequate supply of water at all times that is pure, wholesome, potable, and does not endanger the health of consumers.
- (1) A public water system that was not in existence on January 1, 1998, shall not be granted a permit unless the public water system demonstrates to the state board that the water supplier possesses adequate financial, managerial, and technical capability to ensure the delivery of pure, wholesome, and potable drinking water. This section shall also apply to any change of ownership of a public water system.
- (2) A permit under this chapter shall not be issued to an association organized under Title 3 (commencing with Section 18000) of the Corporations Code. This section shall not apply to unincorporated associations that, as of December 31, 1990, are holders of a permit issued under this chapter.
- (b) Notwithstanding Section 116330, a local primacy agency shall not issue a permit under this article without the concurrence of the state board.
- (c) In considering whether to approve a proposed new public water system, the state board shall consider the sustainability of the proposed new public water system and its water supply in the

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reasonably foreseeable future, in view of global climate change, potential migration of groundwater contamination and other potential treatment needs, and other factors that can significantly erode a system's capacity.

- (d) If the state board determines that it is feasible for the service area of the public water system addressed by an application under this article to be served by one or more permitted public water systems identified pursuant to paragraph (1) of subdivision (c) of Section 116527, the state board may deny the permit of a proposed new public water system if it determines, based on its assessment of the preliminary technical report submitted pursuant to Section 116527, the permit application, and other relevant, substantial evidence submitted, that it is reasonably foreseeable that the proposed new public water system will be unable to provide affordable, safe drinking water in the reasonably foreseeable future. system.
- (e) An applicant may petition the state board for reconsideration of a decision of action of the deputy director taken pursuant to this section.
- SEC. 8. Section 116686 of the Health and Safety Code is amended to read:
- 116686. (a) (1) To provide an adequate supply of affordable, safe drinking water to disadvantaged communities communities, voluntary participants, and public water systems that have demonstrated difficulty in maintaining technical, managerial, and financial capacity and to prevent fraud, waste, and abuse, the state board may do any of the following, if sufficient funding is available:
- (A) (i) Contract with, or provide a grant to, an administrator to provide administrative, technical, operational, *legal*, or managerial services, or any combination of those services, to a designated water system to assist the designated water system with the provision of an adequate supply of affordable, safe drinking water. water, which may include steps necessary to enable consolidation.
- (ii) To fulfill the requirements of this section, the state board may contract with more than one administrator, but only one administrator may be assigned to provide services to a given designated water system.
- (iii) An administrator may provide administrative and managerial services to more than one designated water system.

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(B) Order the designated water system to accept administrative, technical, operational, *legal*, or managerial services, including full management and control of all aspects of the designated water system, from an administrator selected by the state board.

- (C) Order the designated water system to accept administrative, technical, operational, *legal*, or managerial services from an administrator appointed by the state board for full oversight of construction or development projects related to a consolidation or extension of service, including, but not limited to, accepting loans and grants issued by the state board and entering into contracts on behalf of the designated water system.
- (2) In performing its duties pursuant to paragraph (1), the state board may use criteria from the policy handbook adopted pursuant to subdivision (g).
- (b) Before Unless the state board determines has already held a public meeting pursuant to subdivision (b) of Section 116682, the state board shall do all of the following to determine that a public water system or state small water system is a designated water system, the state board shall do all of the following: system:
- (1) Provide the public water system or state small water system with notice and an opportunity to show either of the following:
- (A) That the public water system or state small water system has not consistently failed to provide an adequate supply of affordable, safe drinking water.
- (B) That the public water system or state small water system has taken steps to timely address its failure to provide an adequate supply of affordable, safe drinking water.
- (2) (A) Conduct a public meeting in a location as close as feasible to the affected community.
- (B) The state board shall make reasonable efforts to provide a 30-day notice of the meeting to affected ratepayers, renters, and property owners.
- (C) Representatives of the public water system or state small water system, affected ratepayers, renters, and property owners shall be provided an opportunity to present oral and written comments at the meeting.
- 37 (D) The meeting shall provide an opportunity for public 38 comment.

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(3) Provide an opportunity to submit comments by mail or electronically during the 30-day notice period and for at least one week after the public meeting described in paragraph (2).

- (4) If the public water system is operated by a local educational agency, obtain the local educational agency's agreement, in writing, to the appointment of an administrator.
- (c) The state board shall make financial assistance available to an administrator for a designated water system, as appropriate and to the extent that funding is available.
- (d) The authority granted to an administrator by the state board pursuant to subdivision (a) may include, but shall not be limited to, the authority to do all of the following:
- (1) Expend available moneys for capital infrastructure improvements that the designated water system needs to provide an adequate supply of affordable, safe drinking-water. water or to execute a consolidation ordered pursuant to Section 116682.
- (2) Set and collect user water rates and fees, subject to approval by the state board. The state board shall consider affordability when approving water rates and fees. The provisions of this section are subject to all applicable constitutional requirements, including Article XIII D of the California Constitution.
- (3) Expend available moneys for operation and maintenance costs of the designated water system.
- (4) Expend available moneys necessary to achieve consolidation, including conducting feasibility or planning studies, or addressing outstanding technical or legal issues.
- (e) The state board shall work with the administrator of a designated water system and the communities served by that designated water system to develop, within the shortest practicable timeframe, adequate technical, managerial, and financial capacity to deliver an adequate supply of affordable, safe drinking water so that the services of the administrator are no longer necessary.
- (f) A designated water system shall not be responsible for any costs associated with an administrator that are higher than the costs necessary to maintain the designated water system and provide an adequate supply of affordable, safe drinking water.
- (g) Before ordering a designated water system to accept administrative, technical, operational, *legal*, or managerial services from an administrator pursuant to subdivision (a), the state board shall develop standards, terms, and procedures in a policy

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1 handbook adopted consistent with the process provided for in 2 subdivision (a) of Section 116760.43 for all of the following:

- (1) Ensuring compliance with subdivision (f).
- (2) Providing opportunity for public comment on selection of an administrator and the services to be provided.
- (3) Providing public access to budgets, *ownership and* financial information, and other documents and records related to the provision of water service to the designated water system or affected residences and to the management of the designated water system by the administrator.
- (4) Providing regular public meetings, notifications, opportunities for public comment, and other forms of engagement with customers of the designated water system for significant decisions or actions made on behalf of the designated water system, including, but not limited to, establishing operating budgets, altering water rates, adopting system policies, entering into long-term contracts or financing commitments, and developing system projects or plans.
- (5) Formal requests to the state board to reverse or modify a decision of an administrator or to request substitution of an administrator.
- (6) Ensuring an administrator acts in the best interests of the community served.
- (7) Development and approval of a post-administrator drinking water service plan to ensure compliance with subdivision (e). Development of the plan shall include, but is not limited to, an evaluation of long-term public governance or community ownership options.
- (h) Administrative and managerial contracts pursuant to this section shall be exempt from Chapter 2 (commencing with Section 10290) of Part 2 of Division 2 of the Public Contract Code and may be awarded on a noncompetitive bid basis as necessary to implement the purposes of this section.
- (i) For purposes of this section, a local government, as defined in Article XIII C of the California Constitution, that sets water rates in accordance with Article XIII D of the California Constitution shall be deemed to be providing affordable water.
- (j) This section does not apply to a charter city, charter county, or charter city and county.

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(k) (1) For purposes of this section, an administrator is authorized to act on behalf of an affected residence to the same extent, and in the same manner, as a designated water system with the consent of the affected residence.

- (2) For purposes of this section, where an administrator is authorized to act on behalf of a designated public water system, it may also act on behalf of a voluntary participant.
- (1) The Legislature finds and declares that the funding provided to a state small water system, affected residence, public water system, *voluntary participant*, or administrator for purposes of this section serves a public purpose and does not constitute a gift of public funds within the meaning of Section 6 of Article XVI of the California Constitution.
- (m) For purposes of this section, the following terms have the following meanings:
- (1) "Administrator" means a person whom the state board has determined is competent to perform the administrative, technical, operational, *legal*, or managerial services required for purposes of this section, pursuant to criteria set forth in the policy handbook adopted pursuant to subdivision (g). Notwithstanding any other law, a privately owned public utility may serve as an administrator for purposes of this section.
- (2) "Designated water system" means a public water system or state small water system that serves a disadvantaged community, as defined in has been ordered to consolidate pursuant to Section 116681, 116682 or that serves a disadvantaged community, and that the state board finds consistently fails to provide an adequate supply of affordable, safe drinking water.
- (3) "Domestic well" has the same meaning as defined in Section 116767.
 - (4) "Voluntary participant" means the owner of a domestic well or state small water system who has agreed to accept financial assistance pursuant to Chapter 4.6 (commencing with Section 116765) for the provision of an adequate and affordable supply of safe drinking water.
- 36 SEC. 9. Chapter 4.6 (commencing with Section 116765) is 37 added to Part 12 of Division 104 of the Health and Safety Code, 38 to read:

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Chapter 4.6. Safe and Affordable Drinking Water

Article 1. Findings and Declarations

116765. The Legislature finds and declares all of the following:

- (a) Every Californian should enjoy the same degree of protection from environmental and health hazards. Every community should be a healthy environment in which to live, work, play, and learn.
- (b) No single group of people should bear a disproportionate share of the negative environmental consequences and adverse health impacts arising from industrial, governmental, or commercial operations or policies.
- (c) Concentrated environmental contamination in water creates cumulative health burdens resulting in communities with higher rates of disease such as asthma, heart disease, cancer, neurological and reproductive health effects, birth defects, and obesity.
- (d) Despite significant improvements in environmental protection over the past several decades, millions of Californians continue to live, work, play, and go to school in unhealthy environments.
- (e) California was one of the first states in the nation to put environmental justice considerations into law and defines environmental justice as the fair treatment of people of all races, cultures, and incomes with respect to the development, adoption, implementation, and enforcement of environmental laws, regulations, and policies.
- (f) California law also declares that it is the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.
- (g) Yet, still more than 1,000,000 Californians do not have access to safe drinking water. In communities where the sole water supply is contaminated with substances like arsenic, manganese, nitrates, or hexavalent chromium, families are often left without safe water. The central valley and central coast regions, where more than 90% of the communities rely on groundwater as a primary source of drinking water, are particularly at risk, but other communities around the state are also at risk. More than

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250,000 people in the central valley alone lack access to a consistent source of safe, affordable water.

- (h) The Safe Drinking Water and Toxic Enforcement Act of 1986 lists lead, arsenic, and hexavalent chromium as substances that can cause cancer and reproductive toxicity.
- (i) Established state environmental justice law and policies are only effective insofar as they result in true parity.
- (j) It is the intent of the Legislature that the State of California bring true environmental justice to our state and begin to address the continuing disproportionate environmental burdens in the state by creating a fund to provide safe drinking water in every California community, for every Californian.
- (k) Climate change is exacerbating the water impacts on disadvantaged and environmentally burdened communities by reducing surface water flows, accelerating declining groundwater basins, and contributing to increasing concentrations of environmental contamination.
- (l) Enhancing the long-term sustainability of drinking water systems in disadvantaged and environmentally burdened communities increases those communities' resilience to climate change.
- (m) Funding for safe and affordable drinking water under this chapter promotes investments in disadvantaged communities, provides important contributions to those communities in adapting to climate change, and is an appropriate expenditure from the Greenhouse Gas Reduction Fund created pursuant to Section 16428.8 of the Government Code.
- (n) It is the intent of the Legislature that the state board, in developing the fund expenditure plan pursuant to Article 4 (commencing with Section 116768), strive to ensure all regions of the state receive the same level of consideration for funding pursuant to this chapter, to the extent practicable.

Article 2. Safe and Affordable Drinking Water Fund

116766. (a) The Safe and Affordable Drinking Water Fund is hereby established in the State Treasury to help water systems provide an adequate and affordable supply of safe drinking water in both the near and long terms. Notwithstanding Section 13340

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of the Government Code, all moneys deposited in the fund are continuously appropriated to the board to fund the following:

- (1) Operation and maintenance costs to help deliver an adequate supply of safe drinking water in both the near and long terms.
- (2) Consolidating water systems, or extending drinking water services to other public water systems, domestic wells, and state small water systems.
- (3) The provision of replacement water, as needed, to ensure immediate protection of health and safety as a short-term solution.
- (4) The provision of services under Section 116686 for purposes of helping the systems become self-sufficient in the long term.
- (5) The development, implementation, and sustainability of long-term drinking water solutions.
- (6) Board costs associated with the implementation and administration of programs pursuant to this chapter.
- (b) Consistent with subdivision (a), the board shall expend moneys in the fund for grants, loans, contracts, or services to assist eligible recipients.
- (c) (1) Eligible recipients of funding under this chapter are public agencies, nonprofit organizations, public utilities, mutual water companies, federally recognized California Native American tribes, nonfederally recognized Native American tribes on the contact list maintained by the Native American Heritage Commission for the purposes of Chapter 905 of the Statutes of 2004, administrators, and groundwater sustainability agencies.
- (2) To be eligible for funding under this chapter, grants, loans, contracts, or services provided to a public utility that is regulated by the Public Utilities Commission or a mutual water company shall have a clear and definite public purpose and shall benefit the customers of the water system and not the investors.
- (d) On and after July 1, 2020, an expenditure from the fund shall be consistent with the fund expenditure plan.
- (e) The board may expend moneys from the fund for reasonable costs associated with the administration of this chapter, not to exceed 5 percent of the annual deposits into the fund.
- (f) In administering the fund, the board shall make reasonable efforts to ensure that funds are used to secure the long-term sustainability of drinking water service and infrastructure, including, but not limited to, requiring adequate technical,

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managerial, and financial capacity of eligible applicants as part of funding agreement outcomes.

(g) Beginning in the 2023–24 fiscal year, and each fiscal year thereafter until June 30, 2030, if the annual transfer to the fund pursuant to paragraph (3) of subdivision (b) of Section 39719 is less than one hundred thirty million dollars (\$130,000,000), on an annual basis the Director of Finance shall calculate a sum equivalent to the difference, up to one hundred thirty million dollars (\$130,000,000), and the Controller shall transfer that sum from the General Fund to the Safe and Affordable Drinking Water Fund. This subdivision is operative only while a market-based compliance mechanism adopted pursuant to Section 38562 is operative.

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Article 3. Definitions

 116767. For the purposes of this chapter:

- (a) "Adequate supply" has the same meaning as defined in Section 116681.
- (b) "Administrator" has the same meaning as defined in Section 116686.
 - (c) "Board" means the State Water Resources Control Board.
- (d) "Community water system" has the same meaning as defined in Section 116275.
- (e) "Consistently fails" has the same meaning as defined in Section 116681.
- (f) "Disadvantaged community" has the same meaning as defined in Section 79505.5 of the Water Code.
- (g) "Domestic well" has the same meaning as defined in Section 116681.
- (h) "Fund" means the Safe and Affordable Drinking Water Fund established pursuant to Section 116766.
- (i) "Fund expenditure plan" means the fund expenditure plan adopted pursuant to Article 4 (commencing with Section 116768).
- (j) "Groundwater sustainability agency" has the same meaning as defined in Section 10721 of the Water Code.
- (k) "Low-income household" means a single household with an income that is less than 200 percent of the federal poverty level, as updated periodically in the Federal Register by the United States Department of Health and Human Services under authority

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of subsection (2) of Section 9902 of Title 42 of the United States Code. 2

- (l) "Mutual water company" means a mutual water company, as defined in Section 14300 of the Corporations Code, that operates a public water system or a state small water system.
- (m) "Nonprofit organization" means an organization qualified to do business in California and qualified under Section 501(c)(3)of Title 26 of the United States Code.
- (n) "Public agency" means a state agency or department, special district, joint powers authority, city, county, city and county, or other political subdivision of the state.
- (o) "Public utility" has the same meaning as defined in Section 216 of the Public Utilities Code.
- (p) "Public water system" has the same meaning as defined in Section 116275.
- (q) "Replacement water" includes, but is not limited to, bottled water, vended water, point-of-use, or point-of-entry treatment units.
- (r) "Safe drinking water" has the same meaning as defined in 20 Section 116681.
 - (s) "Service connection" has the same meaning as defined in Section 116275.
 - (t) "State small water system" has the same meaning as defined in Section 116275.
 - (u) "Vended water" has the same meaning as defined in Section 111070.

Article 4. Fund Expenditure Plan

116768. The purposes of the fund expenditure plan are as follows:

- (a) To identify public water systems, community water systems, and state small water systems that consistently fail to provide an adequate supply of safe drinking water, including the cause or causes of the failure and appropriate measures to remedy the failure.
- (b) To determine the amount and type of funding necessary to 38 implement appropriate measures to remedy a failure to provide an adequate supply of safe drinking water.

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(c) To identify public water systems, community water systems, and state small water systems that are at significant risk of failing to provide an adequate supply of safe drinking water, including the source or sources of the risk and appropriate measures to eliminate the risk.

- (d) To determine the amount and type of funding necessary to implement appropriate measures to eliminate the risk of failing to provide an adequate supply of safe drinking water.
- (e) To identify gaps in the provision of safe drinking water, in furtherance of Section 106.3 of the Water Code, and to determine the amount and type of funding necessary to minimize or eliminate those gaps.
- 116768.5. (a) On or before July 1, 2020, the board shall develop and adopt a policy for developing the fund expenditure plan that includes all of the following elements:
- (1) A requirement that the board consult with an advisory group to aid in meeting the purposes of the fund expenditure plan as established in Section 116768. The advisory group shall include representatives of the following:
- (A) Public water systems.
 - (B) Technical assistance providers.
- 22 (C) Local agencies.

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- 23 (D) Nongovernmental organizations.
- 24 (E) Residents served by community water systems in 25 disadvantaged communities, state small water systems, and 26 domestic wells.
 - (F) The public.
 - (2) Identification of key terms, criteria, and metrics, and their definitions.
 - (3) A description of how proposed remedies will be identified, evaluated, prioritized, and included in the fund expenditure plan.
 - (4) The establishment of a process by which members of a disadvantaged community may petition the board to consider ordering consolidation.
- 35 (5) A requirement that the board hold at least one public hearing 36 before adopting a fund expenditure plan.
- 37 (b) The board, in consultation with the Department of Finance, 38 shall annually adopt a fund expenditure plan. The board shall 39 adopt a handbook and may update it at least once every three 40 years.

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1 (c) On or before March 1, 2021, and every March 1 thereafter, 2 the board shall provide to the Joint Legislative Budget Committee 3 and the chairpersons of the fiscal committees in each house of the 4 Legislature the most recently adopted fund expenditure plan. The 5 board may submit the fund expenditure plan as required by this 6 subdivision either in the Governor's Budget documents or as a 7 separate report.

116769. (a) The fund expenditure plan shall contain the following:

- (1) A report of expenditures from the fund for the prior fiscal year and planned expenditures for the current fiscal year.
- (2) A list of systems that consistently fail to provide an adequate supply of safe drinking water. The list shall include, but is not limited to, all of the following:
- (A) Any public water system that consistently fails to provide an adequate supply of safe drinking water.
- (B) Any community water system that serves a disadvantaged community that must charge fees that exceed the affordability threshold established by the board in order to supply, treat, and distribute potable water that complies with federal and state drinking water standards.
- (C) Any state small water system that consistently fails to provide an adequate supply of safe drinking water.
- (3) A list of public water systems, community water systems, and state small water systems that may be at risk of failing to provide an adequate supply of safe drinking water.
- (4) An estimate of the number of households that are served by domestic wells or state small water systems in high-risk areas identified pursuant to Article 6 (commencing with Section 116772). The estimate shall identify approximate locations of households, without identifying exact addresses or other personal information, in order to identify potential target areas for outreach and assistance programs.
- (5) An estimate of the funding needed for the next fiscal year based on the amount available in the fund, anticipated funding needs, other existing funding sources, and other relevant data and information.
- (6) A list of programs to be funded that assist or will assist households supplied by a domestic well that consistently fails to provide an adequate supply of safe drinking water. This list shall

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include the number and approximate location of households served by each program without identifying exact addresses or other personal information.

- (7) A list of programs to be funded that assist or will assist households and schools whose tap water contains contaminants, such as lead or secondary contaminants, at levels that exceed recommended standards.
- (b) The fund expenditure plan shall be based on data and analysis drawn from the drinking water needs assessment funded by Chapter 449 of the Statutes of 2018 as that assessment may be updated and as information is developed pursuant to Article 6 (commencing with Section 116772).
- (c) The fund expenditure plan shall prioritize funding for all of the following:
- (1) Assisting disadvantaged communities served by a public water system, and low-income households served by a state small water system or a domestic well.
- (2) The consolidation or extension of service, when feasible, and administrative and managerial contracts or grants entered into pursuant to Section 116686 where applicable.
- (3) Funding costs other than those related to capital construction costs, except for capital construction costs associated with consolidation and service extension to reduce the ongoing unit cost of service and to increase sustainability of drinking water infrastructure and service delivery.
- 116770. The fund expenditure plan may include expenditures for the following:
- (a) The provision of replacement water, as needed, to ensure immediate protection of health and safety as a short-term solution.
- (b) The development, implementation, and sustainability of long-term drinking water solutions, including, but not limited to, the following:
- (1) (A) Technical assistance, planning, construction, repair, and operation and maintenance costs associated with any of the following:
 - (i) Replacing, blending, or treating contaminated drinking water.
- (ii) Repairing or replacing failing water system equipment, pipes, or fixtures.

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(iii) Operation and maintenance costs associated with consolidated water systems, extended drinking water services, or reliance on a substituted drinking water source.

- (B) Technical assistance and planning costs may include, but are not limited to, analyses to identify and efforts to further opportunities to reduce the unit cost of providing drinking water through organizational and operational efficiency improvements, and other options and approaches to reduce costs.
- (2) Creating and maintaining natural means and green 10 infrastructure solutions that contribute to sustainable drinking water.
 - (3) Consolidating water systems.
 - (4) Extending drinking water services to other public water systems, community water systems, and state small water systems, or domestic wells.
 - (5) Satisfying outstanding long-term debt obligations of public water systems, community water systems, and state small water systems where the board determines that a system's lack of access to capital markets renders this solution the most cost effective for removing a financial barrier to the system's sustainable, long-term provision of drinking water.
 - (c) Identifying and providing outreach to persons who are eligible to receive assistance from the fund.
 - (d) Testing the drinking water quality of domestic wells serving low-income households, prioritizing those in high-risk areas identified pursuant to Article 6 (commencing with Section 116772).
 - (e) Providing services under Section 116686.

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Article 5. Miscellaneous Provisions

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- 116771. (a) The board may undertake any of the following actions to implement the fund:
- (1) Provide for the deposit of any of the following moneys into the fund:
 - (A) Federal contributions.
 - (B) Voluntary contributions, gifts, grants, or bequests.
- 37 (C) Financial participation by a public agency in an activity authorized for funding from the fund. 38

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(2) Enter into agreements for contributions to the fund from the federal government, local or state agencies, and private corporations or nonprofit organizations.

- (3) Direct portions of the fund to a subset of eligible applicants as required or appropriate based on funding source and consistent with the annual fund expenditure plan.
- (4) Direct moneys described in subparagraph (B) of paragraph (1) towards a specific project, program, or study.
- (5) Take additional action as may be appropriate for adequate administration and operation of the fund.
- (b) The board may set appropriate requirements as a condition of funding, including, but not limited to, the following:
 - (1) A system technical, managerial, or financial capacity audit.
 - (2) Improvements to reduce costs and increase efficiencies.
 - (3) An evaluation of alternative treatment technologies.
 - (4) A consolidation or service extension feasibility study.
- (5) Requirements for a domestic well with nitrate contamination where ongoing septic system failure may be causing or contributing to contamination of a drinking water source to have conducted an investigation and project to address the septic system failure, if adequate funding sources are identified and accessible.
- (c) Actions taken to implement, interpret, or make specific this chapter, including, but not limited to, the adoption or development of any plan, handbook, or map, are not subject to the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).
- 116771.5. (a) This chapter does not expand any obligation of the state to provide resources for the provisions of this article or to require the expenditure of additional resources beyond the amount of moneys deposited in the fund.
- (b) Participation in activities authorized for funding from the fund or contributions to the fund by federal, state, or local agencies shall be deemed to serve the public purpose of maintaining the statewide safe drinking water system, and shall not be construed as a gift of public funds within the meaning of Section 6 of Article XVI of the California Constitution.

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Article 6. Information on High-Risk Areas

 116772. (a) (1) By January 1, 2021, the board, in consultation with local health officers and other relevant stakeholders, shall use available data to make available a map of aquifers that are at high risk of containing contaminants that exceed safe drinking water standards that are used or likely to be used as a source of drinking water for a state small water system or a domestic well. The board shall update the map annually based on new and relevant data.

- (2) The board shall make the map of high-risk areas, as well as the data used to make the map, publicly accessible on its internet website in a manner that complies with the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code). The board shall notify local health officers and county planning agencies of high-risk areas within their jurisdictions.
- (b) (1) By January 1, 2021, a local health officer or other relevant local agency shall provide to the board all results of, and data associated with, water quality testing performed by a laboratory that has accreditation or certification pursuant to Article 3 (commencing with Section 100825) of Chapter 4 of Part 1 of Division 101 for a state small water system or domestic well that was collected after January 1, 2014, and that is in the possession of the local health officer or other relevant local agency.
- (2) By January 1, 2022, and by January 1 of each year thereafter, all results of, and data associated with, water quality testing performed by a laboratory that has accreditation or certification pursuant to Article 3 (commencing with Section 100825) of Chapter 4 of Part 1 of Division 101 for a state small water system or domestic well that is submitted to a local health officer or other relevant local agency shall also be submitted directly to the board in electronic format.
- SEC. 10. Chapter 7 (commencing with Section 8390) is added to Division 4.1 of the Public Utilities Code, to read:

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CHAPTER 7. DESIGNATED WATER SYSTEM ADMINISTRATION

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- 8390. A privately owned public utility may serve as an administrator for purposes of Section 116686 of the Health and Safety Code.
- SEC. 11. (a) The amounts appropriated by Item 3940-102-0001 and Item 3940-102-3228 in the Budget Act of 2019 shall be available for purposes outlined in Chapter 4.6 (commencing with Section 116765) of Part 12 of Division 104 of the Health and Safety Code.
- (b) Funds made available pursuant to subdivision (a) shall be used for the purpose of facilitating the achievement of reductions of greenhouse gas emissions in this state in accordance with the requirements of Section 39712 of the Health and Safety Code or to improve climate change adaptation and resiliency of disadvantaged communities, as defined in Section 39711 of the Health and Safety Code, or low-income households or communities, as defined in Section 39713 of the Health and Safety Code, consistent with Division 25.5 (commencing with Section 38500) of the Health and Safety Code. For purposes of the funds made available pursuant to subdivision (a), a state agency may also comply with the requirements of paragraphs (2) and (3) of subdivision (a) of Section 16428.9 of the Government Code by describing how each proposed expenditure will improve climate change adaptation and resiliency of disadvantaged communities or low-income households or communities.
- SEC. 12. This act does not impose a levy, charge, or exaction of any kind, such as a tax or fee.
- SEC. 13. The provisions of this act are severable. If any provision of this act or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.
- SEC. 14. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

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SECTION 1. Chapter 4.6 (commencing with Section 116765) is added to Part 12 of Division 104 of the Health and Safety Code, to read:

CHAPTER 4.6. SAFE AND AFFORDABLE DRINKING WATER

Article 1. Safe and Affordable Drinking Water Fund

- 116765. (a) The Safe and Affordable Drinking Water Fund is hereby established in the State Treasury to help water systems provide an adequate and affordable supply of safe drinking water in both the near and long terms. All moneys deposited in the fund pursuant to paragraph (1) of subdivision (a) of Section 116771 are available, upon appropriation by the Legislature, to the board to fund the following:
- (1) Operation and maintenance costs to help deliver an adequate supply of safe drinking water in both the near and long terms.
- (2) Consolidation costs for public water systems, community water systems, and state small water systems.
- (3) Replacement water to provide the systems with safe drinking water as a short-term solution.
- (4) The provision of administrative and managerial services under Section 116686 for purposes of helping the systems become self-sufficient in the long term.
- (b) Consistent with subdivision (a), the board shall expend moneys in the fund for grants, loans, contracts, or services to assist eligible recipients.
- (c) (1) Eligible recipients of funding under this chapter are public agencies, nonprofit organizations, public utilities, mutual water companies, federally recognized Indian tribes, state Indian tribes listed on the Native American Heritage Commission's California Tribal Consultation List, and administrators.
- (2) To be eligible for funding under this chapter, grants, loans, contracts, or services provided to a public utility that is regulated by the Public Utilities Commission or a mutual water company shall have a clear and definite public purpose and shall benefit the customers of the water system and not the investors.
- 38 (d) An expenditure from the fund shall be consistent with the fund implementation plan.

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(e) The board may expend moneys from the fund for reasonable costs associated with the administration of this chapter, not to exceed 5 percent of the annual deposits into the fund.

(f) In administering the fund, the board shall make reasonable efforts to ensure that funds are used to secure the long-term sustainability of drinking water service and infrastructure, including, but not limited to, requiring adequate technical, managerial, and financial capacity of eligible applicants as part of funding agreement outcomes.

Article 2. Definitions

- 116766. For the purposes of this chapter:
- (a) "Adequate supply" has the same meaning as defined in Section 116681.
- (b) "Administrator" has the same meaning as defined in Section 116686.
 - (c) "Board" means the State Water Resources Control Board.
- (d) "Community water system" has the same meaning as defined in Section 116275.
- (e) "Consistently fails" has the same meaning as defined in Section 116681.
- (f) "Disadvantaged community" has the same meaning as defined in Section 79505.5 of the Water Code.
- (g) "Domestic well" has the same meaning as defined in Section 116681.
- (h) "Fund" means the Safe and Affordable Drinking Water Fund established pursuant to Section 116765.
- (i) "Fund implementation plan" means the fund implementation plan adopted pursuant to Article 3 (commencing with Section 116767).
- (j) "Low-income household" means a single household whose income is less than 200 percent of the federal poverty level.
- (k) "Mutual water company" means a mutual water company, as defined in Section 14300 of the Corporations Code, that operates a public water system or a state small water system.
- (*l*) "Nonprofit organization" means an organization qualified to do business in California and qualified under Section 501(e)(3) of Title 26 of the United States Code.

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(m) "Public agency" means a state agency or department, special district, joint powers authority, city, county, city and county, or other political subdivision of the state.

- (n) "Public utility" has the same meaning as defined in Section 216 of the Public Utilities Code.
- (o) "Public water system" has the same meaning as defined in Section 116275.
- (p) "Replacement water" includes, but is not limited to, bottled water, vended water, point-of-use, or point-of-entry treatment units.
- (q) "Safe drinking water" has the same meaning as defined in Section 116681.
- (r) "Service connection" has the same meaning as defined in Section 116275.
- (s) "State small water system" has the same meaning as defined in Section 116275.
- (t) "Vended water" has the same meaning as defined in Section 111070.

Article 3. Fund Implementation Plan

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116767. The purposes of the fund implementation plan are as follows:

- (a) To identify public water systems, community water systems, and state small water systems that consistently fail to provide an adequate supply of safe drinking water, including the cause or causes of the failure and appropriate measures to remedy the failure.
- (b) To determine the amount and type of funding necessary to implement appropriate measures to remedy a failure to provide an adequate supply of safe drinking water.
- (c) To identify public water systems, community water systems, and state small water systems that are at significant risk of failing to provide an adequate supply of safe drinking water, including the source or sources of the risk and appropriate measures to eliminate the risk.
- (d) To determine the amount and type of funding necessary to implement appropriate measures to eliminate the risk of failing to provide an adequate supply of safe drinking water.

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(e) To identify gaps in the provision of safe drinking water, in furtherance of Section 106.3 of the Water Code, and to determine the amount and type of funding necessary to minimize or eliminate those gaps.

- (f) To prioritize available funding provided by this chapter for measures identified in subdivisions (a), (c), and (e).
- 116768. (a) On or before July 1, 2020, the board shall develop and adopt a policy for developing the fund implementation plan that includes all of the following elements:
- (1) A requirement that the board consult with an advisory group to aid in meeting the purposes of the fund implementation plan as established in Section 116767. The advisory group shall include representatives of the following:
- 14 (A) Entities paying into the fund.
- 15 (B) Public water systems.
 - (C) Technical assistance providers.
- 17 (D) Local agencies.

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- 18 (E) Nongovernmental organizations.
 - (F) Residents served by community water systems in disadvantaged communities, state small water systems, and domestic wells.
 - (G) The public.
 - (2) Identification of key terms, criteria, and metrics, and their definitions.
 - (3) A description of how proposed remedies will be identified, evaluated, prioritized, and included in the fund implementation plan.
 - (4) The establishment of a process by which members of a disadvantaged community may petition the state board to consider ordering consolidation.
 - (5) A requirement that the board hold at least one public hearing before adopting a fund implementation plan.
 - (b) The board shall annually adopt a fund implementation plan. The board may adopt a policy handbook and update it at least once every three years.
- every three years.
 (c) On or before January 10, 2021, and every January 10
 thereafter, the board shall provide to the Joint Legislative Budget
- 38 Committee and the chairpersons of the fiscal committees in each
- 39 house of the Legislature the most recently adopted fund
- 40 implementation plan. The board may submit the fund

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implementation plan as required by this subdivision either in the Governor's Budget documents or as a separate report.

- 116769. (a) The fund implementation plan shall contain the following:
- (1) A report of expenditures from the fund for the prior fiscal year and planned expenditures for the current fiscal year.
- (2) A list of systems that consistently fail to provide an adequate supply of safe drinking water. The list shall include, but is not limited to, all of the following:
- (A) Any public water system that consistently fails to provide an adequate supply of safe drinking water.
- (B) Any community water system that serves a disadvantaged community that must charge fees that exceed the affordability threshold established by the board in order to supply, treat, and distribute potable water that complies with federal and state drinking water standards.
- (C) Any state small water system that consistently fails to provide an adequate supply of safe drinking water.
- (3) A list of public water systems, community water systems, and state small water systems that may be at risk of failing to provide an adequate supply of safe drinking water.
- (4) An estimate of the number of households that are served by domestic wells or state small water systems in high-risk areas identified pursuant to Article 5 (commencing with Section 116772). The estimate shall identify approximate locations of households, without identifying exact addresses or other personal information, in order to identify potential target areas for outreach and assistance programs.
- (5) An estimate of the funding needed for the next fiscal year based on the amount available in the fund, anticipated funding needs, other existing funding sources, and other relevant data and information.
- (6) A list of programs to be funded that assist or will assist households supplied by a domestic well that consistently fails to provide an adequate supply of safe drinking water.
- (7) A list of programs to be funded that assist or will assist households and schools whose tap water contains contaminants, such as lead or secondary contaminants, at levels that exceed recommended standards.

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(b) The fund implementation plan shall be based on data and analysis drawn from the drinking water needs assessment funded by Chapter 449 of the Statutes of 2018 as that assessment may be updated and as information is developed pursuant to Article 5 (commencing with Section 116772).

- (c) The fund implementation plan shall prioritize funding for all of the following:
- (1) Assisting disadvantaged communities served by a public water system and low-income households served by a state small water system or a domestic well.
 - (2) The consolidation or extension of service, or both.
- (3) Funding costs other than those related to capital construction costs, except for capital construction costs associated with consolidation and service extension to reduce the ongoing unit cost of service and to increase sustainability of drinking water infrastructure and service delivery.
- 116770. The fund implementation plan may include expenditures for the following:
- (a) The provision of replacement water, as needed, to ensure immediate protection of health and safety as a short-term solution.
- (b) The development, implementation, and sustainability of long-term drinking water solutions, including, but not limited to, the following:
- (1) (A) Technical assistance, planning, construction, repair, and operation and maintenance costs associated with any of the following:
 - (i) Replacing, blending, or treating contaminated drinking water.
- (ii) Repairing or replacing failing water system equipment, pipes, or fixtures.
- (iii) Operation and maintenance costs associated with consolidated water systems, extended drinking water services, or reliance on a substituted drinking water source.
- (B) Technical assistance and planning costs may include, but are not limited to, analyses to identify and efforts to further opportunities to reduce the unit cost of providing drinking water through organizational and operational efficiency improvements, and other options and approaches to reduce costs.
- (2) Creating and maintaining natural means and green infrastructure solutions that contribute to sustainable drinking water.

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(3) Consolidating water systems.

- (4) Extending drinking water services to other public water systems, community water systems, and state small water systems, or domestic wells.
- (5) Satisfying outstanding long-term debt obligations of public water systems, community water systems, and state small water systems where the board determines that a system's lack of access to capital markets renders this solution the most cost effective for removing a financial barrier to the system's sustainable, long-term provision of drinking water.
- (c) Identifying and providing outreach to persons who are eligible to receive assistance from the fund.
- (d) Testing the drinking water quality of domestic wells serving low-income households, prioritizing those in high-risk areas identified pursuant to Article 5 (commencing with Section 116772).
- (e) Providing administrative and managerial services under Section 116686.

Article 4. Miscellaneous Provisions

- 116771. (a) The board may undertake any of the following actions to implement the fund:
- (1) Provide for the deposit of both of the following moneys into the fund:
 - (A) Federal contributions.
 - (B) Voluntary contributions, gifts, grants, or bequests.
- (2) Enter into agreements for contributions to the fund from the federal government, local or state agencies, and private corporations or nonprofit organizations.
- (3) Direct portions of the fund to a subset of eligible applicants as required or appropriate based on funding source and consistent with the annual fund implementation plan.
- (4) Direct moneys described in subparagraph (B) of paragraph (1) towards a specific project, program, or study.
- (b) The board may set appropriate requirements as a condition of funding, including, but not limited to, the following:
 - (1) A system technical, managerial, or financial capacity audit.
- (2) Improvements to reduce costs and increase efficiencies.
- (3) An evaluation of alternative treatment technologies.
- 40 (4) A consolidation or service extension feasibility study.

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(5) Requirements for a domestic well with nitrate contamination where ongoing septic system failure may be causing or contributing to contamination of a drinking water source, to have conducted an investigation and project to address the septic system failure, if adequate funding sources are identified and accessible.

(c) Actions taken to implement, interpret, or make specific this chapter, including, but not limited to, the adoption or development of any plan, handbook, or map, are not subject to the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

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Article 5. Information on High-Risk Areas

- 116772. (a) (1) By January 1, 2021, the board, in consultation with local health officers and other relevant stakeholders, shall use available data to make available a map of aquifers that are at high risk of containing contaminants that exceed safe drinking water standards that are used or likely to be used as a source of drinking water for a state small water system or a domestic well. The board shall update the map annually based on new and relevant data.
- (2) The board shall make the map of high-risk areas, as well as the data used to make the map, publicly accessible on its internet website in a manner that complies with the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code). The board shall notify local health officers and county planning agencies of high-risk areas within their jurisdictions.
- (b) (1) By January 1, 2021, a local health officer or other relevant local agency shall provide to the board all results of, and data associated with, water quality testing performed by certified laboratories for a state small water system or domestic well that was collected after January 1, 2014, and that is in the possession of the local health officer or other relevant local agency.
- (2) By January 1, 2022, and by January 1 of each year thereafter, all results of, and data associated with, water quality testing performed by a certified laboratory for a state small water system or domestic well that is submitted to a local health officer or other relevant local agency shall also be submitted directly to the board in electronic format.

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SEC. 2. (a) Implementation of Chapter 4.6 (commencing with Section 116765) of Part 12 of Division 104 of the Health and Safety Code is contingent upon an appropriation for its purposes in the annual Budget Act.

5 (b) This act does not impose a levy, charge, or exaction of any kind, such as a tax or fee.

kind, such as a tax or fee.
 SEC. 3. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

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COMMITTEES

VICE CHAIR
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RULES

California State Senate



WILLIAM W. MONNING
SEVENTEENTH SENATE DISTRICT

CAPITOL OFFICE STATE CAPITOL, ROOM 4040 SACRAMENTO, CA 95814 (916) 651-4017

MONTEREY DISTRICT OFFICE 99 PACIFIC STREET, SUITE 575-F MONTEREY, CA 93940 (831) 657-6315

SAN LUIS OBISPO DISTRICT OFFICE 1026 PALM STREET, SUITE 201 SAN LUIS OBISPO, CA 93401 (805) 549-3784

SANTA CRUZ DISTRICT OFFICE 701 OCEAN STREET, SUITE 318-A SANTA CRUZ, CA 95060 (831) 425-0401

> SANTA CLARA COUNTY TELEPHONE NUMBER (408) 847-6101

June 27, 2019

Assemblymember Ken Cooley, Chair Assembly Committee on Rules California State Capitol Sacramento, CA 95814

Dear Chair Cooley:

I respectfully request approval to add an urgency clause to SB 200 because of the immediate need to address safe and affordable drinking water issues throughout California.

Thank you for your consideration of this request. Should you have any questions, please feel free to contact Trevor Taylor, from my staff, at 916.651.4017, at his cell 530.902.1006, or at trevor.taylor@sen.ca.gov.

Sincerely

WILLIAM W. MONNING

Senator, 17th District

WWM:tt

AMENDED IN SENATE APRIL 25, 2019 AMENDED IN SENATE MARCH 27, 2019

SENATE BILL

No. 671

Introduced by Senator Hertzberg

February 22, 2019

An act to amend Sections 203, 203.1, and 220 of, and to add Section 201.6 to, the Labor Code, relating to employment.

LEGISLATIVE COUNSEL'S DIGEST

SB 671, as amended, Hertzberg. Employment: payment of wages: print shoot employees.

Existing law subjects employers to various requirements related to the payment of wages. Existing law generally requires that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately. Existing law establishes specific provisions that entitle an employee engaged in the production or broadcasting of motion pictures, as defined, whose employment terminates, to receive payment of the wages earned and unpaid at the time of the termination by the next regular payday, as defined. Existing law establishes penalties for certain violations relating to payment in accordance with these specific provisions.

This bill would establish similar specific provisions for a print shoot employee, as defined.

Under existing law, the willful refusal to pay wages due and payable after demand is made, or falsely denying indebtedness for an employee's wages with prescribed intent, is a crime.

By establishing new wage payment provisions, the willful or intentional violation of which would be a crime, the bill would impose a state-mandated local program.

SB 671 -2-

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 201.6 is added to the Labor Code, to 2 read:
 - 201.6. (a) As used in this section:

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- (1) "Print shoot employee" means an individual hired for a period of limited duration to render services relating to or supporting a print shoot. still image shoot, including film or digital photography, for use in print, digital, or internet media.
- (2) "Next regular payday" means the day designated by the employer, pursuant to Section 204, for payment of wages earned during the payroll period in which the termination occurs.
- (3) "Time of termination" is when the employment relationship ends, whether by discharge, layoff, resignation, completion of employment for a specified term, or otherwise.
- (b) A print shoot employee is entitled to receive payment of the wages earned and unpaid at the time of termination by the next regular payday.
- (c) The payment of wages to employees covered by this section may be mailed to the employee or made available to the employee at a location specified by the employer in the county where the employee was hired or performed labor. The payment shall be deemed to have been made on the date that the employee's wages are mailed to the employee or made available to the employee at the location specified by the employer, whichever is earlier.
- (d) Nothing in this section prohibits the parties to a valid collective bargaining agreement from establishing alternative provisions for final payment of wages to employees covered by this section if those provisions do not exceed the time limitation established in Section 204.
- SEC. 2. Section 203 of the Labor Code is amended to read:

3 SB 671

203. (a) If an employer willfully fails to pay, without abatement or reduction, in accordance with Sections 201, 201.3, 201.5, 201.6, 201.9, 202, and 205.5, any wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefor is commenced; but the wages shall not continue for more than 30 days. An employee who secretes or absents themself to avoid payment to the employee, or who refuses to receive the payment when fully tendered to them, including any penalty then accrued under this section, is not entitled to any benefit under this section for the time during which the employee so avoids payment.

(b) Suit may be filed for these penalties at any time before the expiration of the statute of limitations on an action for the wages from which the penalties arise.

SEC. 3. Section 203.1 of the Labor Code is amended to read: 203.1. If an employer pays an employee in the regular course of employment or in accordance with Section 201, 201.3, 201.5, 201.6, 201.7, or 202 any wages or fringe benefits, or both, by check, draft or voucher, which check, draft or voucher is subsequently refused payment because the employer or maker has no account with the bank, institution, or person on which the instrument is drawn, or has insufficient funds in the account upon which the instrument is drawn at the time of its presentation, so long as the same is presented within 30 days of receipt by the employee of the check, draft or voucher, those wages or fringe benefits, or both, shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefor is commenced. However, those wages and fringe benefits shall not continue for more than 30 days and this penalty shall not apply if the employer can establish to the satisfaction of the Labor Commissioner or an appropriate court of law that the violation of this section was unintentional. This penalty also shall not apply in any case in which an employee recovers the service charge authorized by Section 1719 of the Civil Code in an action brought by the employee thereunder.

SEC. 4. Section 220 of the Labor Code is amended to read:

220. (a) Sections 201.3, 201.5, 201.6, 201.7, 203.1, 203.5, 204, 204a, 204b, 204c, 204.1, 205, and 205.5 do not apply to the payment of wages of employees directly employed by the State

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of California. Except as provided in subdivision (b), all other employment is subject to these provisions.

- (b) Sections 200 to 211, inclusive, and Sections 215 to 219, inclusive, do not apply to the payment of wages of employees directly employed by any county, incorporated city, or town or other municipal corporation. All other employments are subject to these provisions.
- SEC. 5. No reimbursement is required by this act pursuant to 8 Section 6 of Article XIIIB of the California Constitution because 9 10 the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or 11 infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of 13 the Government Code, or changes the definition of a crime within 14 the meaning of Section 6 of Article XIII B of the California 15 Constitution.

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CAPITOL OFFICE STATE CAPITOL. ROOM 313 SACRAMENTO, CA 95814 TEL (916) 651-4018 FAX (916) 651-4918

DISTRICT OFFICE 6150 VAN NUYS BLVD - #400 VAN NUYS, CA 91401 TEL (818) 901-5588 FAX (818) 901-5562

SENATOR HERTZBERGRSENATE CA GOV

California State Senate

SENATOR ROBERT M. HERTZBERG

MAJORITY LEADER

REPRESENTING THE SAN FERNANDO VALLEY



COMMITTEES

NATURAL RESOURCES AND WATER

ELECTIONS AND CONSTITUTIONAL AMENDMENTS

ENERGY, UTILITIES AND COMMUNICATIONS

GOVERNANCE AND FINANCE

JOINT LEGISLATIVE AUDIT

June 27, 2019

The Honorable Ken Cooley Chair, Assembly Rules Committee State Capitol, Room 3016 Sacramento, CA 95814

Attn: Nicole Willis

RE: Urgency Clause Request - SB 671 (Hertzberg)

M. HES

Dear Assemblymember Cooley,

I respectfully request to add an urgency clause to Senate Bill 671. An urgency clause is necessary in order to protect California's photoshoot industry and the state's economy.

If you have any questions, please contact Christine Aurre in my office at 916-651-4018 or Christine.aurre@sen.ca.gov.

Thank you for your consideration.

Sincerely,

Robert M. Hertzberg Senator, 18th District

AMENDMENTS TO SENATE BILL NO. 671 AS AMENDED IN SENATE APRIL 25, 2019

Amendment 1
In the title, in line 2, strike out "employment." and insert:
employment, and declaring the urgency thereof, to take effect immediately.

Amendment 2

On page 2, before line 1, insert:

SECTION 1. This act is known and may be cited as the "Photoshoot Pay Easement Act."

Amendment 3
On page 2, in line 1, strike out "SECTION 1." and insert:

SEC. 2.

Amendment 4
On page 2, in line 29, strike out "SEC. 2." and insert:

SEC. 3.

Amendment 5 On page 3, in line 16, strike out "SEC. 3." and insert:

SEC. 4.

Amendment 6
On page 3, in line 37, strike out "SEC. 4." and insert:

SEC. 5.

Amendment 7
On page 4, in line 8, strike out "SEC. 5." and insert:
SEC. 6.



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Amendment 8

On page 4, below line 16, insert:

SEC. 7. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the California Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to protect California's photoshoot industry and the state's economy, it is necessary for this act to take effect immediately.