



To:	Coachella Valley Water District
From:	Syrus Devers Advocacy LLC
Date:	October 30th, 2023
Re:	State Legislative Report

### **Final Report on the 2023 Legislative Session**

Governor Newsom had until midnight on October 14th to act on legislation but he wrapped up on the 13th. Of the 1,046 bills made it to his desk, 890 bills were signed and 156 were vetoed. The most common reason cited in veto messages was the looming budget deficit.

Recall that 2023 is the first year of the two-year session, and that no bill really dies in the first year. Where a bill stops in the process, however, has a major impact on its future prospects.

Bills held in their first policy committee have an almost impossible task. The Legislature comes back into session on January 3rd, and any legislation that failed its first vote must pass out of committee by January 12th—barely over a week later. Unless the committee chair is involved, there may not even be an opportunity to hold a hearing, much less get the needed votes.

Bills that got out of the first policy committee but were held on the infamous Appropriations “Suspense File” do not have it much better. Any committee, including Appropriations, must pass bills to the respective Floors by January 19th—a mere extra week of life for bills held on Suspense. Finally, any bill introduced in 2023 must pass out of the house of origin by January 31st.

Any bill that fails any of these deadlines is completely dead. Technically, no legislator may introduce a new bill on the same subject as a bill that failed any of these deadlines. This is why there is so much emphasis on getting a bill out of the first house; once that hurdle is cleared, a bill from the previous year is under the same deadlines as newly introduced legislation.

### **Legislative Recap for 2023**

#### **Wins:**

“We” (meaning the lobbyists who represent public water agencies in Sacramento) stopped or amended every water policy bill we opposed. This year started as the most significant year in legislation in a decade, but it all went up in a legislative bonfire the first two weeks in July. Here are the “wins” that survived:

**AB 1594** (Garcia): Exemption from the Zero Emissions Vehicle (ZEV) purchasing requirement for vehicles necessary for disaster response. Throughout the process, legislative staff tried to throw roadblocks in the way of AB 1594, but it had little effect as members from both sides supported the bill.

The bill takes effect on January 1st and it is unclear at the time of this report if new regulations are necessary, or if the newly adopted regulations can be implemented in harmony with the bill's provisions.

SB 389 (Allen): One of the infamous "water rights bills", SB 389 succeeded where the other bills failed after Sen. Allen agreed to remove the most objectionable parts of the bill. Despite the amendments, SB 389 remains a heavyweight bill in clarifying the extent of the State Water Resources Control Board's reach into pre-1914 water rights, and giving them the enforcement option they sought. Pre-1914 rights will never be free of controversy, but everyone can agree that all benefit from clearly defined water rights and effective rules to enforce them. In that sense, SB 389 is a clear win despite the rocky road to a signature.

SB 687 (Eggman): We stopped another Delta Conveyance killer bill, but not before it made it out of the Senate policy committee.

SB 57 (Gonzales): This bill would have required postponement of a service disconnection for nonpayment if the temperature was, or was projected to be, over 95° within 24 hours—an obvious problem in any desert region. As with SB 687 above, we killed it in Appropriations which means it can be brought up again through the middle of January.

### **Losses:**

SB 366 (Caballero): Few bills started with more fanfare and grand expectations, but the end was ignominious. This bill aspired to rewrite the California Water Plan and pave the way to an expanded water supply. The bill stalled in the policy committee of the Assembly, so there is a chance it will return in 2024—it has until April 28th to move. California cannot solve its water supply issues just by stopping bad legislation; we need to make progress, not just protect the status quo.

SB 23 (Caballero): This ACWA sponsored bill would have enacted permit streamlining for water projects. In the same spirit as SB 366, it is a loss because we need positive steps forward, but this one is not a total loss. Newsom took some of SB 23's lesser provisions and included them in his CEQA reform package earlier in the year.

### **Neither a Win nor a Loss:**

We cannot stop all the bad bills or get all the good ones through. On some we have to compromise and roll with the punches. The result is usually a bill that we do not like, but we can hold our nose and tolerate it. Here are the top compromises.

AB 1572 (Friedman): Prohibition of nonfunctional turf. A lot of people would like to go a long time without hearing that phrase again. The water community wanted to kill this bill, but the Metropolitan Water District came from nowhere and sponsored it, which all but ruled out stopping the bill. The resulting negotiation consumed hundreds of hours of staff time, and the final result is questionably drafted.

AB 755 (Papan): This started off as a perfectly awful bill that would have required water agencies to estimate the marginal cost of providing water to major water users and publish that estimate (guess, really) in a rate study. Nobody liked the bill, but our attention was elsewhere and it slipped out of the Assembly with bipartisan votes. It was then set for a hearing in the Senate right after the water rights bills had just been held in committee and the stage was set for a serious loss. Committee members had been worked hard the previous week and were not amenable to being lobbied hard again. Fortunately, a set of amends we worked out that blunted the worst parts of the bill. The final bill makes the “neither” list because no one liked it, but it was far better than what could have happened if the bill had made it out of committee without amendments—which likely would have happened.

### **In a class by themselves:**

SB 583 (Padilla): Salton Sea Conservancy. Few bills commanded more of CVWD’s attention than SB 583. The bill was held by Senator Padilla in the Senate after passing the Assembly. This is referred to as “Concurrence in Assembly Amendments” (or “Concurrence” for short) and the salient fact is that it can no longer be amended. Of course, another bill that amends or adds to SB 583 can move forward next year and take effect at the same time, which seems to be the author’s intent. In other words, more to follow.

ACA 13 (Ward): a California Special Districts Association priority, this constitutional amendment is in response to the Taxpayer Protection and Government Accountability Act sponsored by the California Business Roundtable, which will appear on the November, 2024 ballot. That initiative would impose additional restrictions on enacting fees and taxes, and would invalidate any new fees or taxes passed after January 1, 2022, that did not comply with the requirements of the initiative.

What ACA 13 does: States that an initiative that imposes a higher vote threshold for fees or taxes must pass by the same percentage of votes it seeks to impose. In other words, the Taxpayer Protection and Government Accountability Act would have to be passed by two-thirds of voters casting ballots in the November election to take effect.

What ACA 13 does not do: Amend Proposition 13. The final set of amendments included the following Whereas:

*The provisions of this measure are not intended to reverse or invalidate provisions of the Constitution in effect before January 1, 2024, including the provisions of Proposition 13 of 1978...*

ACA 13 passed both legislative houses by the required 2/3rds vote, but was then withheld from the Governor temporarily in order for it to appear on the November ballot, as opposed to the earlier March primary ballot. This means ACA 13 will appear on the ballot alongside the Taxpayer Protection and Government Accountability Act. ACA 13 was drafted with this in mind, so it specifically states that it would apply to measures that appear on the ballot at the same time.