

Sonoma Water State Relations Update

May 6, 2024

Overview:

Throughout the first half of the 2024 session of the California Legislature, Sonoma Water's priorities have focused on establishing new sources of funding through the passage of a climate resilience bond while also protecting funding previously allocated for Sonoma Water programs. California's budget deficit creates significant uncertainty for the future of many Sonoma Water projects, but, fortunately, our top two funding priorities remain largely intact; Forecast Informed Reservoir Operations (FIRO) and watershed resilience pilot funding are safe at the moment. We are not pursuing legislation on our own and so far have not taken a position on a bill that is different from ACWA.

Climate Bond:

Over the past 18 months, Sonoma Water has worked with ACWA's bond infrastructure group to promote and support funding for specific programs, including:

- Flood Protection in coastal areas
- Watershed Resilience that includes IRWM eligibility
- Dam Safety and FIRO
- Groundwater restoration
- Recycling

At the same time, Sonoma Water has continued to play a leadership role in the Water Bond Coalition and helped organize advocacy efforts focused on IRWM funding. WBC successfully worked with Assemblymember Bennett to get a \$350 million allocation to IRWM in AB 1567.

Lastly, Sonoma Water has helped convene and lead a coalition of small Groundwater Sustainability Agencies (GSA) to advocate for SGMA or groundwater funding to assist small GSAs in implementing SGMA. Small GSAs have low pumping volume which leads to SGMA implementation costs unaffordable for users. The Small GSA coalition has worked with Assemblymember Garcia's office on language that we hope will allow for a bit more flexibility in how DWR implements the funding and allow for some admin costs to be covered.

Budget:

So far, the news in the budget has been relatively positive as it relates to our two highest priorities.

For FIRO, the program is being reduced by a net of five percent on an ongoing basis, bringing the annual appropriation to \$8.75M rather than the original \$10M. This reduction was included in the early action package so we're feeling secure in where FIRO stands for now.

On watershed resilience, the program is losing virtually all of its funding except DWR was able to hold onto enough funds to implement several pilots and the Russian River is one such pilot. We

had a bit of a scare when we saw the Department of Finance letter regarding the freezing of funds, but the watershed resilience funding came through as a legislative priority in a section of the budget bill that is not being considered for a freeze.

Conclusion:

With our two biggest budget priorities largely settled our attention and efforts will be focused on the resilience bond. We will be lobbying our legislative delegation to maintain as much funding for water programs as possible in the final negotiations.