

UPDATED INFORMATIVE DIGEST

WATER STORAGE INVESTMENT PROGRAM REGULATIONS

Sections Affected: Adoption of California Code of Regulations, title 23, new division 7, Chapter 1, sections 6000, 6001, 6002, 6003, 6004, 6005, 6006, 6007, 6008, 6009, 6010, 6011, 6012, 6013, 6014 and 6015.

Background:

In November 2014, California voters approved Proposition 1, the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1, California Water Code Sections 79700-79798) affirming the need for a safe and reliable supply of water to support the state's economy, environment, and quality of life. Proposition 1 continuously appropriated \$2.7 billion to the California Water Commission (Commission) to fund the public benefits associated with water storage projects. The Commission is implementing the requirements of Proposition 1 through the Water Storage Investment Program (Program or WSIP). California Water Code Section 79754 directs the Commission to adopt, by regulation, in consultation with the Department of Fish and Wildlife (DFW), the State Water Resources Control Board (State Water Board), and the Department of Water Resources (Department or DWR), processes and methods for the quantification and management of the public benefits of water storage.

On January 29, 2016, the California Water Commission issued a notice of public hearing to consider the adoption of the Water Storage Investment Program regulations. An Initial Statement of Reasons was made available for public review and comment starting January 29, 2016. The Initial Statement of Reasons contained a description of the rationale for the proposed regulations. The text of the proposed regulations was also made available at the same time, and posted to the California Water Commission's website.

At its March 16, 2016 public meeting, the Commission heard comments on the proposed regulations. Based on these comments and changes the Commission directed, staff undertook three additional public comment and notice periods and released three "Notice[s] of Public Availability of Modified Text" and "Notice of Public Availability of Additional Documents" from September 2, 2016 through October 3, 2016, from September 9, 2016 through October 3, 2016 (for the addition of documents to the record) and November 22, 2016 through December 7, 2016. A copy of the full text of the modifications to the proposed regulations, with the modifications clearly indicated, was released with each Notice of Public Availability of Modified Text. At its December 14, 2016 publicly noticed meeting, the Commission adopted the regulations.

The adopted regulations meet the requirements of Water Code section 79754.

Immediately Preceding Laws and Regulations: None.

Description of Regulatory Action:

The regulations implement a process for applicants to apply for funding provided by Proposition 1, as well as a description of how the projects will be evaluated for potential funding.

The Commission's Action:

At its December 14, 2016 meeting, the Commission adopted the regulations by motion.

Comparable Federal Regulations: There are no comparable federal regulations that provide investment funds for public benefits associated with water storage.

Changes to Underlying Laws or Effect of the Regulations

There have been no changes in applicable laws or to the effect of the proposed regulations from the laws and effects described in the Notice of Proposed Action.