AMENDMENTS TO ASSEMBLY BILL NO. 1739 AS AMENDED IN SENATE JUNE 17, 2014

Amendment 1

In the title, in line 3, strike out "65302.12" and insert:

65350.5

Amendment 2

In the title, in line 4, strike out "and to add Section 1242.1" and insert:

and to amend Sections 1120, 1831, 10927, 10933, and 12924 of, to add Sections 113, 1529.5, and 10750.1

Amendment 3

In the title, in line 4, strike out the second "and"

Amendment 4

In the title, in line 4, after the second "add" insert:

Part 5.2 (commencing with Section 5200) to Division 2 of, and to add

Amendment 5

On page 6, before line 1, insert:

SECTION 1. (a) The Legislature finds and declares as follows:

- (1) The people of the state have a primary interest in the protection, management, and reasonable beneficial use of the water resources of the state, both surface and underground, and that the integrated management of the state's water resources is essential to meeting its water management goals.
- (2) Groundwater provides a significant portion of California's water supply. Groundwater accounts for more than one-third of the water used by Californians in an average year and more than one-half of the water used by Californians in a drought year when other sources are unavailable.
- (3) Excessive groundwater pumping can cause overdraft, failed wells, deteriorated water quality, environmental damage, and irreversible land subsidence that damages infrastructure and diminishes the capacity of aquifers to store water for the future.

- (4) When properly managed, groundwater resources will help protect communities, farms, and the environment against prolonged dry periods and climate change, preserving water supplies for existing and potential beneficial use.
- (5) Failure to manage groundwater to prevent long-term overdraft infringes on groundwater rights.
- (6) Groundwater resources are most effectively managed at the local or regional level.
- (7) Groundwater management will not be effective unless local actions to sustainably manage groundwater basins and subbasins are taken.
- (8) Local and regional agencies need to have the necessary support and authority to manage groundwater sustainably.
- (9) In those circumstances where a local groundwater management agency is not managing its groundwater sustainably, the state needs to protect the resource until it is determined that a local groundwater management agency can sustainably manage the groundwater basin or subbasin.
- (10) Information on the amount of groundwater extraction, natural and artificial recharge, and groundwater evaluations are critical for effective management of groundwater.
- (11) Sustainable groundwater management in California depends upon creating more opportunities for robust conjunctive management of surface water resources.

 Climate change will intensify the need to recalibrate and reconcile surface and groundwater management strategies.
 - (b) It is therefore the intent of the Legislature to do all of the following:

- (1) To provide local and regional agencies the authority to sustainably manage groundwater.
- (2) To provide that if no local groundwater agency or agencies provide sustainable groundwater management for a groundwater basin or subbasin, the state has the authority to develop and implement a groundwater sustainability plan until the time the local groundwater management agency or agencies can assume management of the basin or subbasin.
- (3) To require the development and reporting of those data necessary to support sustainable groundwater management, including those data that help describe the basin's geology, the short- and long-term trends of the basin's water balance, and other measures of sustainability, and those data necessary to resolve disputes regarding sustainable yield, beneficial uses, and water rights.
 - (4) To respect overlying and other proprietary rights to groundwater.
 - SEC. 2. Section 65350.5 is added to the Government Code, to read:
- 65350.5. Before the adoption or any substantial amendment of a city's or county's general plan, the planning agency shall review and consider all of the following:
- (a) An adoption of, or update to, a groundwater sustainability plan or groundwater management plan pursuant to Part 2.74 (commencing with Section 10720) or Part 2.75 (commencing with Section 10750) of Division 6 of the Water Code or groundwater management court order, judgment, or decree.
 - (b) An adjudication of water rights.

- (c) An order by the State Water Resources Control Board pursuant to Chapter 11 (commencing with Section 10735) of Part 2.74 of Division 6 of the Water Code.
 - SEC. 3. Section 65352 of the Government Code is amended to read:
- 65352. (a) Prior to action by Before a legislative body takes action to adopt or substantially amend a general plan, the planning agency shall refer the proposed action to all of the following entities:
- (1) A city or county, within or abutting the area covered by the proposal, and any special district that may be significantly affected by the proposed action, as determined by the planning agency.
- (2) An elementary, high school, or unified school district within the area covered by the proposed action.
 - (3) The local agency formation commission.
- (4) An areawide planning agency whose operations may be significantly affected by the proposed action, as determined by the planning agency.
- (5) A federal agency agency, if its operations or lands within its jurisdiction may be significantly affected by the proposed action, as determined by the planning agency.
- (6) (A) The branches of the United States Armed Forces that have provided the Office of Planning and Research with a California mailing address pursuant to subdivision (d) of Section-65944 when 65944, if the proposed action is within 1,000 feet of a military installation, or lies within special use airspace, or beneath a low-level flight path, as defined in Section 21098 of the Public Resources Code, provided that and if the United States Department of Defense provides electronic maps of low-level

flight paths, special use airspace, and military installations at a scale and in an electronic format that is acceptable to the Office of Planning and Research.

- (B) Within 30 days of a determination by the Office of Planning and Research that the information provided by the Department of Defense is sufficient and in an acceptable scale and format, the office shall notify cities, counties, and cities and counties of the availability of the information on the Internet. Cities, counties, and cities and counties shall comply with subparagraph (A) within 30 days of receiving this notice from the office.
- (7) A public water system, as defined in Section 116275 of the Health and Safety Code, with 3,000 or more service connections, that serves water to customers within the area covered by the proposal. The public water system shall have at least 45 days to comment on the proposed plan, in accordance with subdivision (b), and to provide the planning agency with the information set forth in Section 65352.5.
- (8) Any groundwater sustainability agency that has adopted a groundwater sustainability plan pursuant to Part 2.74 (commencing with Section 10720) of Division 6 of the Water Code or local agency that otherwise manages groundwater pursuant to other provisions of law or a court order, judgment, or decree within the planning area of the proposed general plan.
- (9) The State Water Resources Control Board, if it has adopted an interim plan pursuant to Part 2.74 (commencing with Section 10720) of Division 6 of the Water Code that includes territory within the planning area of the proposed general plan.

(8)

- (10) The Bay Area Air Quality Management District for a proposed action within the boundaries of the district.
 - (9) On and after March 1, 2005, a
- (11) A California Native American tribe, that is on the contact list maintained by the Native American Heritage Commission, with Commission and that has traditional lands located within the city city's or county's jurisdiction.

(10)

- (12) The Central Valley Flood Protection—Board_Board, for a proposed action within the boundaries of the Sacramento and San Joaquin Drainage District, as set forth in Section 8501 of the Water Code.
- (b) Each-An entity receiving a proposed general plan or amendment of a general plan pursuant to this section shall have 45 days from the date the referring agency mails it or delivers it-in which to comment unless a longer period is specified by the planning agency.
- (c) (1) This section is directory, not mandatory, and the failure to refer a proposed action to the other entities specified in this section does not affect the validity of the action, if adopted.
- (2) To the extent that the requirements of this section conflict with the requirements of Chapter 4.4 (commencing with Section 65919), the requirements of Chapter 4.4 shall prevail.
 - SEC. 4. Section 65352.5 of the Government Code is amended to read:
- 65352.5. (a) The Legislature finds and declares that it is vital that there be close coordination and consultation between California's water supply or management

agencies and California's land use approval agencies to ensure that proper water supply and management planning occurs in order to accommodate projects that will result in increased demands on water supplies or impact water resource management.

- (b) It is, therefore, the intent of the Legislature to provide a standardized process for determining the adequacy of existing and planned future water supplies to meet existing and planned future demands on these water supplies and the impact of land use decisions on the management of California's water supply resources.
- (c) Upon receiving, pursuant to Section 65352, notification of a city's or a county's proposed action to adopt or substantially amend a general plan, a public water system, as defined in Section 116275 of the Health and Safety Code, with 3,000 or more service connections, shall provide the planning agency with the following information, as is appropriate and relevant:
- (1) The current version of its urban water management plan, adopted pursuant to Part 2.6 (commencing with Section 10610) of Division 6 of the Water Code.
- (2) The current version of its capital improvement program or plan, as reported pursuant to Section 31144.73 of the Water Code.
- (3) A description of the source or sources of the total water supply currently available to the water supplier by water right or contract, taking into account historical data concerning wet, normal, and dry runoff years.
- (4) A description of the quantity of surface water that was purveyed by the water supplier in each of the previous five years.
- (5) A description of the quantity of groundwater that was purveyed by the water supplier in each of the previous five years.

- (6) A description of all proposed additional sources of water supplies for the water supplier, including the estimated dates by which these additional sources should be available and the quantities of additional water supplies that are being proposed.
- (7) A description of the total number of customers currently served by the water supplier, as identified by the following categories and by the amount of water served to each category:
 - (A) Agricultural users.
 - (B) Commercial users.
 - (C) Industrial users.
 - (D) Residential users.
- (8) Quantification of the expected reduction in total water demand, identified by each customer category set forth in paragraph (7), associated with future implementation of water use reduction measures identified in the water supplier's urban water management plan.
- (9) Any additional information that is relevant to determining the adequacy of existing and planned future water supplies to meet existing and planned future demands on these water supplies.
- (10) A report on the anticipated effect of proposed action to adopt or substantially amend a general plan on implementation of a groundwater sustainability plan pursuant to Part 2.74 (commencing with Section 10720) of Division 6 of the Water Code.
- (d) Upon receiving, pursuant to Section 65352, notification of a city's or a county's proposed action to adopt or substantially amend a general plan, a groundwater

sustainability agency, as defined in Section 10720.5 of the Water Code, shall provide the planning agency with the following information, as is appropriate and relevant:

- (1) The current version of its groundwater sustainability plan adopted pursuant to Part 2.74 (commencing with Section 10720) of Division 6 of the Water Code.
- (2) If the groundwater sustainability agency manages groundwater pursuant to a court order, judgment, decree, or agreement among affected water rights holders, or if the State Water Resources Control Board has adopted a groundwater sustainability plan pursuant to Part 2.74 (commencing with Section 10720) of Division 6 of the Water Code, the groundwater sustainability agency shall provide the planning agency with maps of recharge basins and percolation ponds, extraction limitations, and other relevant information, or the court order, judgment, or decree.
 - SEC. 5. Section 113 is added to the Water Code, to read:
- 113. It is the policy of the state that groundwater resources be managed sustainably for long-term water supply reliability and multiple economic, social, or environmental benefits for current and future beneficial uses. Sustainable groundwater management is best achieved locally through the development, implementation, and updating of plans and programs based on the best available science.
 - SEC. 6. Section 1120 of the Water Code is amended to read:
- 1120. This chapter applies to any decision or order issued under this part or Section 275, Part 2 (commencing with Section 1200), Part 2 (commencing with Section 10500) of Division 6, Chapter 11 (commencing with Section 10735) of Part 2.74 of Division 6, Article 7 (commencing with Section 13550) of Chapter 7 of Division 7, or the public trust doctrine.

- SEC. 7. Section 1529.5 is added to the Water Code, to read:
- 1529.5. (a) The board shall adopt a schedule of fees pursuant to Section 1530 to recover costs incurred in administering Chapter 11 (commencing with Section 10735) of Part 2.74 of Division 6. Recoverable costs include, but are not limited to, costs incurred in connection with investigations, facilitation, monitoring, hearings, enforcement, and administrative costs in carrying out these actions.
- (b) The fee schedule adopted under this section may include, but is not limited to, the following:
 - (1) A fee for participation as a petitioner or party to an adjudicative proceeding.
- (2) A fee for the filing of a report pursuant to Part 5.2 (commencing with Section 5200) of Division 2 for extractions from a source within the boundaries of a probationary basin under Section 10735.2.
- (c) Consistent with Section 3 of Article XIII A of the California Constitution, the board shall set the fees under this section in an amount sufficient to cover all costs incurred and expended from the Water Rights Fund for the purpose of Chapter 11 (commencing with Section 10735) of Part 2.74 of Division 6. In setting these fees, the board is not required to fully recover these costs in the year or the year immediately after the costs are incurred, but the board may provide for recovery of these costs over a period of years.
 - SEC. 8. Section 1831 of the Water Code is amended to read:
- 1831. (a) When the board determines that any person is violating, or threatening to violate, any requirement described in subdivision (d), the board may issue an order to that person to cease and desist from that violation.

- (b) The cease and desist order shall require that person to comply forthwith or in accordance with a time schedule set by the board.
- (c) The board may issue a cease and desist order only after notice and an opportunity for hearing pursuant to Section 1834.
- (d) The board may issue a cease and desist order in response to a violation or threatened violation of any of the following:
- (1) The prohibition set forth in Section 1052 against the unauthorized diversion or use of water subject to this division.
- (2) Any term or condition of a permit, license, certification, or registration issued under this division.
- (3) Any decision or order of the board issued under this part, Section 275, Chapter 11 (commencing with Section 10735) of Part 2.74 of Division 6, or Article 7 (commencing with Section 13550) of Chapter 7 of Division 7, in which decision or order the person to whom the cease and desist order will be issued, or a predecessor in interest to that person, was named as a party directly affected by the decision or order.
 - (4) A regulation adopted under Section 1058.5.
- (5) Any pumping restriction, limitation, order, or regulation adopted or issued under Chapter 11 (commencing with Section 10735) of Part 2.74 of Division 6.
- (e) This article-shall does not authorize the board to regulate in any manner, the diversion or use of water not otherwise subject to regulation of the board under this part division or Section 275.

SEC. 9. Part 5.2 (commencing with Section 5200) is added to Division 2 of the Water Code, to read:

PART 5.2. GROUNDWATER EXTRACTION REPORTING FOR PROBATIONARY BASINS AND BASINS WITHOUT A GROUNDWATER SUSTAINABILITY AGENCY

5200. It is the intent of the Legislature to subsequently amend this measure to adopt extraction reporting requirements for basins identified as probationary basins pursuant to Section 10735.2, or as authorized by subdivision (b) of Section 10724, for basins without a groundwater sustainability agency.

SEC. 10. Part 2.74 (commencing with Section 10720) is added to Division 6 of the Water Code, to read:

PART 2.74. SUSTAINABLE GROUNDWATER MANAGEMENT

CHAPTER 1. GENERAL PROVISIONS

- 10720. This part shall be known, and may be cited, as the "Sustainable Groundwater Management Act."
- 10720.1. In enacting this part, it is the intent of the Legislature to do all of the following:
 - (a) To provide for the sustainable management of groundwater basins.

- (b) To enhance local management of groundwater consistent with rights to use or store groundwater and Section 2 of Article X of the California Constitution. It is the intent of the Legislature to preserve the security of water rights in the state to the greatest extent possible consistent with the sustainable management of groundwater.
 - (c) To establish minimum standards for sustainable groundwater management.
- (d) To provide local groundwater agencies with the authority and the technical and financial assistance necessary to sustainably manage groundwater.
 - (e) To avoid or minimize subsidence.
 - (d) To improve data collection and understanding about groundwater.
 - (e) To increase groundwater storage and remove impediments to recharge.
- (g) To manage groundwater basins through the actions of local governmental agencies to the greatest extent feasible, while minimizing state intervention to only when necessary to ensure that local agencies manage groundwater in a sustainable manner.
 - 10720.3. (a) This part applies to all groundwater basins in the state.
- (b) To the extent authorized under federal or tribal law, this part applies to an Indian tribe and to the federal government, including, but not limited to, the Department of Defense.
- 10720.5. Groundwater management pursuant to this part shall be consistent with Section 2 of Article X of the California Constitution. Nothing in this part modifies rights or priorities to use or store groundwater consistent with Section 2 of Article X of the California Constitution, except that in basins designated medium- or high-priority basins by the department, no extraction of groundwater between January 1, 2015, and

the date of adoption of a groundwater sustainability plan pursuant to this part, whichever is sooner, may be used as evidence of, or to establish or defend against, any claim of

prescription.

10720.7. Subject to Chapter 6 (commencing with Section 10725), by January

31, 2020, all basins designated as high- or medium-priority basins by the department

shall be managed under a groundwater sustainability plan or coordinated groundwater

sustainability plans pursuant to this part. The Legislature encourages and authorizes

basins designated as low-and very low priority basins by the department to be managed

under groundwater sustainability plans pursuant to this part.

10720.9. (a) Except as provided in Section 10733.6, this part does not apply to

a local agency that conforms to the requirements of an adjudication of water rights in

a groundwater basin or to that adjudicated basin. For purposes of this section, an

adjudication includes an adjudication under Section 2101, an administrative

adjudication, and an adjudication in state or federal court, including, but not limited

to, the following adjudicated groundwater basins:

- (1) Beaumont Basin.
- (2) Brite Basin.
- (3) Central Basin.
- (4) Chino Basin.
- (5) Cucamonga Basin.
- (6) Cummings Basin.
- (7) Goleta Basin.
- (8) Main San Gabriel Basin: Puente Narrows.

- (9) Mojave Basin Area.
- (10) Puente Basin.
- (11) Raymond Basin.
- (12) San Jacinto Basin.
- (13) Santa Margarita River Watershed.
- (14) Santa Maria Valley Basin.
- (15) Santa Paula Basin.
- (16) Scott River Stream System.
- (17) Seaside Basin.
- (18) Six Basins.
- (19) Tehachapi Basin.
- (20) Upper Los Angeles River Area.
- (21) Warren Valley Basin.
- (22) West Coast Basin.
- (23) Western San Bernardino.
- (b) The Antelope Valley basin at issue in the Antelope Valley Groundwater Cases (Judicial Council Coordination Proceeding Number 4408) shall be treated as an adjudicated basin pursuant to this section if the superior court issues a final judgment, order, or decree.

Chapter 2. Definitions

- 10721. Unless the context otherwise requires, the following definitions govern the construction of this part:
- (a) "Adjudication action" means an action filed in the superior court to determine the rights to extract groundwater from a basin or store water within a basin, including, but not limited to, actions to quiet title respecting rights to extract or store groundwater or an action brought to impose a physical solution on a basin.
- (b) "Basin" means a groundwater basin or subbasin identified and defined in Bulletin 118 or as modified pursuant to Chapter 3 (commencing with Section 10722).
- (c) "Bulletin 118" means the department's report entitled "California's Groundwater: Bulletin 118" updated in 2003, as it may be subsequently updated or revised in accordance with Section 12924.
- (d) "Coordination agreement" means a legal agreement adopted between two or more groundwater sustainability agencies that provides the basis for coordinating multiple agencies or groundwater sustainability plans within a basin pursuant to this part.
- (e) "De minimus extractor" means a person who extracts, for domestic purposes, two acre-feet or less per year.
- (f) "Governing body" means the legislative body of a groundwater sustainability agency.

- (g) "Groundwater" means water beneath the surface of the earth within the zone below the water table in which the soil is completely saturated with water, but does not include water that flows in known and definite channels.
- (h) "Groundwater extraction facility" means a device or method for extracting groundwater from within a basin.
- (i) "Groundwater recharge" means the augmentation of groundwater, by natural or artificial means.
- (j) "Groundwater sustainability agency" means one or more local agencies that implement the provisions of this part. For purposes of imposing fees pursuant to Chapter 8 (commencing with Section 10730) or taking action to enforce a groundwater sustainability plan, "groundwater sustainability agency" also means each local agency comprising the groundwater sustainability agency if the plan authorizes separate agency action.
- (k) "Groundwater sustainability plan" or "plan" means a plan of a groundwater sustainability agency proposed or adopted pursuant to this part.
- (*l*) "Groundwater sustainability program" means a coordinated and ongoing activity undertaken to benefit a basin, pursuant to a groundwater sustainability plan.
- (m) "Local agency" means a local public agency that has water supply, water management, or land use responsibilities within a groundwater basin.
- (n) "Operator" means a person operating a groundwater extraction facility. The owner of a groundwater extraction facility shall be conclusively presumed to be the operator unless a satisfactory showing is made to the governing body of the groundwater

sustainability agency that the groundwater extraction facility actually is operated by some other person.

- (o) "Owner" means a person owning a groundwater extraction facility or an interest in a groundwater extraction facility other than a lien to secure the payment of a debt or other obligation.
- (p) "Planning and implementation horizon" means a 50-year time period over which a groundwater sustainability agency determines that plans and measures will be implemented in a basin to ensure that the basin is operated within its sustainable yield.
- (q) "Public water system" has the same meaning as defined in Section 116275 of the Health and Safety Code.
- (r) "Recharge area" means the area that supplies water to an aquifer in a groundwater basin.
- (s) "Sustainability goal" means the existence and implementation of one or more groundwater sustainability plans that achieve sustainable groundwater management by identifying and causing the implementation of measures targeted to ensure that the applicable basin is operated within its sustainable yield.
- (t) "Sustainable groundwater management" means the management and use of groundwater in a manner that can be maintained during the planning and implementation horizon without causing undesirable results.
- (u) "Sustainable yield" means the maximum quantity of water, calculated over a base period representative of long-term conditions in the basin and including any temporary surplus, that can be withdrawn annually from a groundwater supply without causing an undesirable result.

- (v) "Undesirable result" means one or more of the following effects occurring after January 1, 2015, and caused by groundwater conditions occurring throughout the basin:
- (1) Chronic lowering of groundwater levels indicating a significant and unreasonable depletion of supply if continued over the planning and implementation horizon, excluding lowering groundwater levels caused by a drought.
 - (2) Significant and unreasonable reduction of groundwater storage.
 - (3) Significant seawater intrusion.
- (4) Significant and unreasonable degraded water quality, including the migration of contaminant plumes that impair water supplies.
- (5) Significant land subsidence that substantially interferes with surface land uses.
- (6) Surface water depletions that have significant adverse impacts on beneficial uses.
- (w) "Water budget" means an accounting of the total groundwater and surface water entering and leaving a basin including the changes in the amount of water stored.
- (x) "Watermaster" means a watermaster appointed by a court or pursuant to other law.
- (y) "Water year" means the period from October 1 through the following September 30, inclusive.
- (z) "Wellhead protection area" means the surface and subsurface area surrounding a water well or well field that supplies a public water system through which contaminants are reasonably likely to migrate toward the water well or well field.

CHAPTER 3. BASIN BOUNDARIES

- 10722. Unless other basin boundaries are established pursuant to this chapter, a basin's boundaries shall be as identified in Bulletin 118.
- 10722.2. (a) A local agency may request that the department revise the boundaries of a basin, including the establishment of new subbasins. A local agency's request shall be supported by the following information:
- (1) Information demonstrating that the proposed adjusted basin can be the subject of sustainable groundwater management.
- (2) Technical information regarding the boundaries of, and conditions in, the proposed adjusted basin.
- (3) Information demonstrating that the entity proposing the basin boundary adjustment consulted with interested local agencies and public water systems in the affected basins before filing the proposal with the department.
- (4) Other information the department deems necessary to justify revision of the basin's boundary.
- (b) By January 1, 2016, the department shall develop and publish guidelines regarding the information required to comply with subdivision (a). The guidelines required pursuant to this subdivision are exempt from Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.
- (c) The department shall provide a copy of its draft revision of a basin's boundaries to the California Water Commission. The California Water Commission

shall hear and comment on the draft revision within 60 days after the department provides the draft revision to the commission.

- 10722.4. (a) Pursuant to Section 10933, for the purposes of this part the department shall categorize each basin as one of the following priorities:
 - (1) High priority.
 - (2) Medium priority.
 - (3) Low priority.
 - (4) Very low priority.
- (b) The initial priority for each basin shall be established by the department pursuant to Section 10933 no later than January 1, 2017.

Chapter 4. Establishing Groundwater Sustainability Agencies

- 10723. (a) Any local agency or combination of local agencies may elect to be a groundwater sustainability agency.
- (b) Before electing to be a groundwater sustainability agency, and after publication of notice pursuant to Section 6066 of the Government Code, the local agency or agencies shall hold a public hearing in the county or counties overlying the basin.
- 10723.2. The groundwater sustainability agency shall consider the interests of all beneficial uses and users of groundwater, as well as those responsible for implementing groundwater sustainability plans. These interests include, but are not limited to, all of the following:

- (a) Holders of overlying groundwater rights, including:
- (1) Agricultural users.
- (2) Domestic well owners.
- (b) Municipal well operators.
- (c) Public water systems.
- (d) Local land use planning agencies.
- (e) Environmental users of groundwater.
- (f) Surface water users, if there is a hydrologic connection between surface and groundwater bodies.
- (g) The federal government, including, but not limited to, the military and managers of federal lands.
 - (h) Indian tribes.
- 10723.4. The groundwater sustainability agency shall establish and maintain a list of persons interested in receiving notices regarding plan preparation, meeting announcements, and availability of draft plans, maps, and other relevant documents. Any person may request, in writing, to be placed on the list of interested persons.
- 10723.6. A combination of local agencies may form a groundwater sustainability agency by using any of the following methods:
 - (a) A joint powers agreement.
 - (b) A memorandum of agreement or other legal agreement.
- 10723.8. Within 30 days of electing to be or forming a groundwater sustainability agency, the groundwater sustainability agency shall inform the department

of its election or formation and its intent to undertake sustainable groundwater management. The notification shall include the following information, as applicable:

- (a) The service area boundaries, the basin the agency is managing, and the other groundwater sustainability agencies operating within the basin.
 - (b) A copy of the resolution forming the new agency.
 - (c) A copy of the bylaws, ordinances, and new authorities.
- 10724. (a) In the event that there is an area within a basin that is not within the management area of a groundwater sustainability agency, the county within which that unmanaged area lies will be presumed to be the groundwater sustainability agency for that area.
- (b) A county described in subdivision (a) shall provide notification to the department pursuant to Section 10723.8 unless the county notifies the department that it will not be the groundwater sustainability agency for the area. Extractions of groundwater made after 2016 in that area shall be subject to reporting in accordance with Part 5.2 (commencing with Section 5200) of Division 2 if the county does either of the following:
- (1) Notifies the department that it will not be the groundwater sustainability agency for an area.
- (2) Fails to provide notification to the department pursuant to Section 10723.8 for an area on or before January 1, 2017.

CHAPTER 5. POWERS AND AUTHORITIES

- 10725. (a) A groundwater sustainability agency may exercise any of the powers described in this chapter in implementing this part, in addition to, and not as a limitation on, any existing authority, if the groundwater sustainability agency adopts and submits to the department a groundwater sustainability plan or prescribed alternative documentation in accordance with Section 10733.6.
- (b) A groundwater sustainability agency has and may use the powers in this chapter to provide the maximum degree of local control and flexibility consistent with the sustainability goals of this part.
- 10725.2. (a) A groundwater sustainability agency may perform any act necessary or proper to carry out the purposes of this part.
- (b) A groundwater sustainability agency may adopt rules, regulations, ordinances, and resolutions for the purpose of this part, in compliance with any procedural requirements applicable to the adoption of a rule, regulation, ordinance, or resolution by the groundwater sustainability agency.
- (c) In addition to any other applicable procedural requirements, the groundwater sustainability agency shall provide notice of the proposed adoption of the groundwater sustainability plan on its Internet Web site and provide for electronic notice to any person who requests electronic notification.
- 10725.4. (a) A groundwater sustainability agency may conduct an investigation for the purposes of this part, including, but not limited to, investigations for the following:

- (1) To determine the need for groundwater management.
- (2) To prepare and adopt a groundwater sustainability plan and implementing rules and regulations.
 - (3) To propose and update fees.
 - (4) To monitor compliance and enforcement.
- (b) An investigation may include surface waters and surface water rights as well as groundwater and groundwater rights.
- (c) In connection with an investigation, a groundwater sustainability agency may inspect the property or facilities of a person or entity to ascertain whether the purposes of this part are being met and compliance with this part. The local agency may conduct an inspection pursuant to this section upon obtaining any necessary consent or obtaining an inspection warrant pursuant to the procedure set forth in Title 13 (commencing with Section 1822.50) of Part 3 of the Code of Civil Procedure.
- 10725.6. A groundwater sustainability agency may require registration of a groundwater extraction facility within the management area of the groundwater sustainability agency.
- 10725.8. (a) A groundwater sustainability agency may require through its groundwater sustainability plan that the use of every groundwater extraction facility within the management area of the groundwater sustainability agency be measured by a water-measuring device satisfactory to the groundwater sustainability agency.
- (b) All costs associated with the purchase and installation of the water-measuring device shall be borne by the owner or operator of each groundwater extraction facility. The water measuring devices shall be installed by the groundwater sustainability agency

or, at the groundwater sustainability agency's option, by the owner or operator of the groundwater extraction facility. Water-measuring devices shall be calibrated on a reasonable schedule as may be determined by the groundwater sustainability agency.

- (c) A groundwater sustainability agency may require, through its groundwater sustainability plan, that the owner or operator of a groundwater extraction facility within the groundwater sustainability agency file an annual statement with the groundwater sustainability agency setting forth the total extraction in acre-feet of groundwater from the facility during the previous water year.
- (d) In addition to the measurement of groundwater extractions pursuant to subdivision (a), a groundwater sustainability agency may use any other reasonable method to determine groundwater extraction.
 - (e) This section does not apply to de minimus extractors.
- 10726. An entity within the area of a groundwater sustainability plan shall only divert surface water to underground storage consistent with the plan and shall report the diversion to underground storage to the groundwater sustainability agency for the relevant portion of the basin.
 - 10726.2. A groundwater sustainability agency may do the following:
- (a) Acquire by grant, purchase, lease, gift, devise, contract, construction, or otherwise, and hold, use, enjoy, sell, let, and dispose of, real and personal property of every kind, including lands, water rights, structures, buildings, rights-of-way, easements, and privileges, and construct, maintain, alter, and operate any and all works or improvements, within or outside the agency, necessary or proper to carry out any of the purposes of this part.

- (b) Appropriate and acquire surface water or groundwater and surface water or groundwater rights, import surface water or groundwater into the agency, and conserve and store within or outside the agency that water for any purpose necessary or proper to carry out the provisions of this part, including, but not limited to, the spreading, storing, retaining, or percolating into the soil of the waters for subsequent use or in a manner consistent with the provisions of Section 10727.2. As part of this authority, the agency may validate an existing groundwater conjunctive use or storage program upon a finding that the program would aid or assist the agency in developing or implementing a groundwater sustainability plan.
- (c) Provide for a program of voluntary fallowing of agricultural lands or validate an existing program.
- (d) Perform any acts necessary or proper to enable the agency to purchase, transfer, deliver, or exchange water or water rights of any type with any person that may be necessary or proper to carry out any of the purposes of this part, including, but not limited to, providing surface water in exchange for a groundwater extractor's agreement to reduce or cease groundwater extractions. The agency shall not deliver retail water supplies within the service area of a public water system without either the consent of that system or authority under the agency's existing authorities.
- (e) Transport, reclaim, purify, desalinate, treat, or otherwise manage and control polluted water, wastewater, or other waters for subsequent use in a manner that is necessary or proper to carry out the purposes of this part.
- (f) Commence, maintain, intervene in, defend, compromise, and assume the cost and expenses of any and all actions and proceedings.

- 10726.4. (a) A groundwater sustainability agency shall have the following additional authority and may regulate groundwater pumping using that authority:
- (1) To impose spacing requirements on new groundwater well construction to minimize well interference and impose reasonable operating regulations on existing groundwater wells to minimize well interference, including requiring pumpers to operate on a rotation basis.
- (2) To control groundwater extractions by regulating, limiting, or suspending extractions from individual groundwater wells or extractions from groundwater wells in the aggregate, the construction of new groundwater wells, the enlarging of existing groundwater wells, the reactivation of abandoned groundwater wells, or otherwise establishing groundwater extraction allocations. A limitation on extractions by a groundwater sustainability agency shall not be construed to be a final determination of rights to extract groundwater from the basin or any portion of the basin.
- (3) To authorize temporary and permanent transfers of groundwater extraction allocations within the agency's boundaries, if the total quantity of groundwater extracted in any water year is consistent with the provisions of the groundwater sustainability plan.
- (4) To establish accounting rules to allow unused groundwater extraction allocations issued by the agency to be carried over from one year to another and voluntarily transferred, if the total quantity of groundwater extracted in any five-year period is consistent with the provisions of the groundwater sustainability plan.
- (b) Nothing in this section shall be construed to grant a groundwater sustainability agency the authority to issue permits for the construction, modification, or abandonment

of groundwater wells. A county may authorize a groundwater sustainability agency to issue permits for the construction, modification, or abandonment of groundwater wells.

- 10726.6. (a) A groundwater sustainability agency that adopts a groundwater sustainability plan may file an action to determine the validity of the plan pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure.
- (b) Subject to Sections 394 and 397 of the Code of Civil Procedure, the venue for an action pursuant to this section shall be the county in which the principal office of the groundwater management agency is located.
- (c) Any judicial action or proceeding to attack, review, set aside, void, or annul the ordinance or resolution imposing a new, or increasing an existing, fee imposed pursuant to Section 10730, 10730.2, or 10730.4 shall be brought pursuant to Section 66022 of the Government Code.
- (d) Any person may pay a fee imposed pursuant to Section 10730, 10730.2, or 10730.4 under protest and bring an action against the governing body in the superior court to recover any money that the governing body refuses to refund. Payments made and actions brought under this section shall be made and brought in the manner provided for the payment of taxes under protest and actions for refund of that payment in Article 2 (commencing with Section 5140) of Chapter 5 of Part 9 of Division 1 of the Revenue and Taxation Code, as applicable.
- (e) Except as otherwise provided in this section, actions by a groundwater sustainability agency are subject to judicial review pursuant to Section 1085 of the Code of Civil Procedure.

- 10726.8. (a) This part is in addition to, and not a limitation on, the authority granted to a local agency under any other law. The local agency may use the local agency's authority under any other law to apply and enforce any requirements of this part, including, but not limited to, the collection of fees.
- (b) Nothing in this part is a limitation on the authority of the board, the department, or the State Department of Public Health.
- (c) This part does not authorize a local agency to impose any requirement or impose any penalty or fee on the state or any agency, department, or officer of the state. State agencies and departments shall work cooperatively with a local agency on a voluntary basis.

Chapter 6. Groundwater Sustainability Plans

- 10727. (a) A groundwater sustainability plan shall be developed and implemented for each medium- or high-priority basin by a groundwater sustainability agency to meet the sustainability goal established pursuant to this part. The groundwater sustainability plan may incorporate, extend, or be based on a plan adopted pursuant to Part 2.75 (commencing with Section 10750).
 - (b) A groundwater sustainability plan may be any of the following:
- (1) A single plan covering the entire basin developed and implemented by one groundwater sustainability agency.
- (2) A single plan covering the entire basin developed and implemented by multiple groundwater sustainability agencies.

- (3) Subject to Section 10727.6, multiple plans implemented by multiple groundwater sustainability agencies and coordinated pursuant to a single coordination agreement that covers the entire basin.
 - 10727.2. A groundwater sustainability plan shall include all of the following:
- (a) A description of the physical setting and characteristics of the aquifer system underlying the basin that includes the following:
 - (1) Historical data, to the extent available.
- (2) Groundwater levels, groundwater quality, subsidence, and groundwater-surface water interaction.
 - (3) A general discussion of historical and projected water demands and supplies.
- (4) A map that details the area of the basin and the boundaries of the groundwater sustainability agencies that overlie the basin that have or are developing groundwater sustainability plans.
- (5) A map identifying existing and potential recharge areas for the basin. The map or maps shall identify the existing recharge areas that substantially contribute to the replenishment of the groundwater basin. The map or maps shall be provided to the appropriate local planning agencies after adoption of the groundwater sustainability plan.
- (b) (1) Measurable objectives, as well as interim milestones in increments of five years, to achieve the sustainability goal in the basin within 20 years of the implementation of the plan.

- (2) A description of how the plan helps meet each objective and how each objective is intended to achieve the sustainability goal for the basin for long-term beneficial uses of groundwater.
- (3) Notwithstanding paragraph (1), at the request of the groundwater sustainability agency, the department may grant an extension of up to 10 years beyond the 20-year sustainability timeframe upon a showing of good cause.
 - (c) A planning and implementation horizon of 50 years.
 - (d) Components relating to the following, as applicable to the basin:
 - (1) The monitoring and management of groundwater levels within the basin.
- (2) The monitoring and management of groundwater quality, groundwater quality degradation, inelastic land surface subsidence, and changes in surface flow and surface water quality that directly affect groundwater levels or quality or are caused by groundwater pumping in the basin.
 - (3) Mitigation of overdraft.
- (4) How recharge areas identified in the plan substantially contribute to the replenishment of the basin.
- (e) A summary of the type of monitoring sites, type of measurements, and the frequency of monitoring for each location monitoring groundwater levels, groundwater quality, subsidence, streamflow, precipitation, evaporation, and tidal influence. The plan shall include a summary of monitoring information such as well depth, screened intervals, and aquifer zones monitored, and a summary of the type of well relied on for the information, including public, irrigation, domestic, industrial, and monitoring wells.

- (f) Monitoring protocols that are designed to detect changes in groundwater levels, groundwater quality, inelastic surface subsidence for basins for which subsidence has been identified as a potential problem, and flow and quality of surface water that directly affect groundwater levels or quality or are caused by groundwater pumping in the basin. The monitoring protocols shall be designed to generate information that promotes efficient and effective groundwater management.
- 10727.4. In addition to the requirements of Section 10727.2, a groundwater sustainability plan shall include, where appropriate and in collaboration with the appropriate local agencies, all of the following:
 - (a) Control of saline water intrusion.
 - (b) Wellhead protection areas and recharge areas.
 - (c) Migration of contaminated groundwater.
 - (d) A well abandonment and well destruction program.
 - (e) Replenishment of groundwater extractions.
- (f) Activities implementing, opportunities for, and impediments to, conjunctive use.
 - (g) Well construction policies.
- (h) Measures addressing groundwater contamination cleanup, recharge, diversions to storage, conservation, water recycling, conveyance, and extraction projects.
- (i) Efficient water management practices, as defined in Section 10902, for the delivery of water and water conservation methods to improve the efficiency of water use.
 - (j) Efforts to develop relationships with state and federal regulatory agencies.

- (k) Processes to review land use plans and efforts to coordinate with land use planning agencies to assess activities that potentially create risks to groundwater quality or quantity.
- 10727.6. Groundwater sustainability agencies intending to develop and implement multiple groundwater sustainability plans pursuant to paragraph (3) of subdivision (b) of Section 10727 shall coordinate with other agencies preparing a groundwater sustainability plan within the basin to ensure that the plans utilize the same data for the following assumptions in developing the plan:
 - (a) Groundwater elevation data.
 - (b) Groundwater extraction data.
 - (c) Surface water supply.
 - (d) Total water use.
 - (e) Change in groundwater storage.
 - (f) Water budget.
 - (g) Sustainable yield.
- 10727.8. Prior to initiating the development of a groundwater sustainability plan, the groundwater sustainability agency shall make available to the public and the department a written statement describing the manner in which interested parties may participate in the development and implementation of the groundwater sustainability plan. The groundwater sustainability agency may appoint and consult with an advisory committee consisting of interested parties for the purposes of developing and implementing a groundwater sustainability plan. The groundwater sustainability agency shall encourage the active involvement of diverse social, cultural, and economic

elements of the population within the groundwater basin prior to and during the development and implementation of the groundwater sustainability plan.

- 10728. (a) Except as provided in subdivision (b), a groundwater sustainability agency shall certify that its plan complies with this part no later than January 31, 2020, and every five years thereafter. A groundwater sustainability agency shall submit this certification to the department within 30 days of the certification.
- (b) (1) The department may review the submissions made pursuant to this section and Section 10733.6 and may request the supporting information on which the certification pursuant to subdivision (a) relied upon or the other documentation relied upon pursuant to subdivision (b) of Section 10733.6. The department may issue findings concerning the validity of the certification or other submission.
- (2) Before issuing findings pursuant to paragraph (1), the department shall transmit a draft of its findings to the submitting agency and shall consult with that agency. The submitting agency may submit a response to the department within 60 days of receiving the department's draft findings.
- (3) If the department's findings issued pursuant to paragraph (1) concern the compliance of a plan with requirements for sustainable groundwater management or the operation of a basin consistent with the basin's sustainable yield, the submitting agency, within 90 days of receipt, shall consider amendments to its plan or technical analysis to address the department's findings.
- 10728.2. A groundwater sustainability agency shall periodically evaluate its groundwater sustainability plan, assess changing conditions in the basin that may warrant modification of the plan or management objectives, and may adjust components

in the plan. An evaluation of the plan shall focus on determining whether the actions under the plan are meeting the plan's management objectives and whether those objectives are meeting the sustainability goal in the basin.

10728.4. A groundwater sustainability agency may adopt or amend a groundwater sustainability plan if the groundwater sustainability agency holds a public hearing and more than 90 days have passed since the groundwater sustainability agency provided notice to a city or county within the area of the proposed plan or amendment. The groundwater sustainability agency shall obtain comments from any city or county that receives notice pursuant to this section and shall consult with a city or county that requests consultation within 30 days of receipt of the notice. Nothing in this section is intended to preclude an agency and a city or county from otherwise consulting or commenting regarding the adoption or amendment of a plan.

Chapter 7. Technical Assistance

- 10729. (a) The department or a groundwater sustainability agency may provide technical assistance to entities that extract or use groundwater to promote water conservation and protect groundwater resources.
- (b) The department may provide technical assistance to any groundwater sustainability agency in response to that agency's request for assistance in the development and implementation of a groundwater sustainability plan. The department shall use its best efforts to provide the requested assistance.

- (c) (1) By January 1, 2017, the department shall publish on its Internet Web site best management practices for the sustainable management of groundwater.
- (2) The department shall develop the best management practices through a public process involving one public meeting conducted at a location in northern California, one public meeting conducted at a location in the San Joaquin Valley, one public meeting conducted at a location in southern California, and one public meeting of the California Water Commission.

CHAPTER 8. FINANCIAL AUTHORITY

- 10730. (a) A groundwater sustainability agency may impose fees, including, but not limited to, permit fees and fees on groundwater extraction or other regulated activity, to fund the costs of a groundwater sustainability program, including, but not limited to, preparation, adoption, and amendment of a groundwater sustainability plan, and program administration, investigations, inspections, compliance assistance, and enforcement. A groundwater sustainability agency shall not impose a fee pursuant to this subdivision on a de minimus extractor unless the agency has regulated the users pursuant to this part.
- (b) (1) Prior to imposing or increasing a fee, a groundwater sustainability agency shall hold at least one open and public meeting, at which oral or written presentations may be made as part of the meeting.
- (2) Notice of the time and place of the meeting shall include a general explanation of the matter to be considered and a statement that the data required by this section is

available. The notice shall be mailed at least 14 days prior to the meeting to each record owner of property within the basin and to any interested party who files a written request with the agency for mailed notice of the meeting on new or increased fees. A written request for mailed notices shall be valid for one year from the date that the request is made and may be renewed by making a written request on or before April 1 of each year.

- (3) At least 10 days prior to the meeting, the groundwater sustainability agency shall make available to the public data upon which the proposed fee is based.
- (c) Any action by a groundwater sustainability agency to impose or increase a fee shall be taken only by ordinance or resolution.
- (d) (1) As an alternative method for the collection of fees imposed pursuant to this section, a groundwater management agency may adopt a resolution requesting collection of the fees in the same manner as ordinary municipal ad valorem taxes.
- (2) A resolution described in paragraph (1) shall be adopted and furnished to the county auditor-controller and board of supervisors on or before August 1 of each year that the alternative collection of the fees is being requested. The resolution shall include a list of parcels and the amount to be collect for each parcel.
- (e) The power granted by this section is in addition to any powers a groundwater sustainability agency has under any other law.
- 10730.2. (a) A groundwater sustainability agency that adopts a groundwater sustainability plan pursuant to this part may impose fees on the extraction of groundwater from the basin to fund costs of groundwater management, including, but not limited to, the costs of the following:

- (1) Administration, operation, maintenance, and acquisition of lands or other property, facilities, and services.
 - (2) Supply, production, treatment, or distribution of water.
 - (3) Other activities necessary or convenient to implement the plan.
- (b) Fees may be implemented pursuant to Part 2.75 (commencing with Section 10750) in accordance with the procedures provided in this section.
- (c) Fees imposed pursuant to this section shall be adopted in accordance with subdivisions (a) and (b) of Section 6 of Article XIII D of the California Constitution.
- (d) Fees imposed pursuant to this section may include fixed fees and fees charged on a volumetric basis, including, but not limited to, fees that increase based on the quantity of groundwater produced annually, the year in which the production of groundwater commenced from a groundwater extraction facility, and impacts to the basin.
- (e) The power granted by this section is in addition to any powers a groundwater sustainability agency has under any other law.
- 10730.4. A groundwater sustainability agency may fund activities pursuant to Part 2.75 (commencing with Section 10750) and may impose fees pursuant to Section 10732.5 to fund activities undertaken by the agency pursuant to Part 2.75 (commencing with Section 10750).
- 10730.6. (a) A groundwater fee levied pursuant to this chapter shall be due and payable to the groundwater sustainability agency by each owner or operator on a day established by the groundwater sustainability agency.

- (b) If an owner or operator knowingly fails to pay a groundwater fee within 30 days of it becoming due, the owner or operator shall be liable to the groundwater sustainability agency for interest at the rate of 1 percent per month on the delinquent amount of the groundwater fee and a 10 percent penalty.
- (c) The groundwater sustainability agency may bring a suit in the court having jurisdiction against any owner or operator of a groundwater extraction facility within the area covered by the plan for the collection of any delinquent groundwater fees, interest, or penalties imposed under this chapter. If the groundwater sustainability agency seeks an attachment against the property of any named defendant in the suit, the groundwater sustainability agency shall not be required to furnish a bond or other undertaking as provided in Title 6.5 (commencing with Section 481.010) of Part 2 of the Code of Civil Procedure.
- (d) In the alternative to bringing a suit pursuant to subdivision (c), a groundwater sustainability agency may collect any delinquent groundwater charge and any civil penalties and interest on the delinquent groundwater charge pursuant to the laws applicable to the local agency or, if a joint powers authority, to the entity designated pursuant to Section 6509 of the Government Code. The collection shall be in the same manner as it would be applicable to the collection of delinquent assessments, water charges, or tolls.
- (e) As an additional remedy, a groundwater sustainability agency, after a public hearing, may order an owner or operator to cease extraction of groundwater until all delinquent fees are paid. The groundwater sustainability agency shall give notice to

the owner or operator by certified mail not less than 15 days in advance of the public hearing.

- (f) The remedies specified in this section for collecting and enforcing fees are cumulative and may be pursued alternatively or may be used consecutively as determined by the governing body.
- 10730.8. (a) Nothing in this chapter shall affect or interfere with the authority of a groundwater sustainability agency to levy and collect taxes, assessments, charges, and tolls as otherwise provided by law.
- (b) For the purposes of Section 6254.16 of the Government Code, persons subject to payment of fees pursuant to this chapter are utility customers of a groundwater sustainability agency.
- 10731. (a) If there is reasonable cause to believe that the production of groundwater from any groundwater extraction facility is in excess of that disclosed by the statements covering the facility or if no statement is filed covering the facility, the governing body may cause an investigation and report to be made concerning the production of groundwater from that groundwater extraction facility that includes, but is not limited to, the accuracy of the water-measuring device. The governing body may make a determination fixing the amount of groundwater production from the groundwater extraction facility at an amount not to exceed the maximum production capacity of the facility for purposes of levying a groundwater charge. If a water-measuring device is permanently attached to the groundwater extraction facility, the record of production as disclosed by the water-measuring device shall be presumed

to be accurate unless the contrary is established by the groundwater management agency after investigation.

(b) After the governing body makes a determination fixing the amount of groundwater production pursuant to subdivision (a), a written notice of the determination shall be mailed to the owner or operator of the groundwater extraction facility at the address as shown by the groundwater management agency's records. A determination made by the governing body shall be conclusive on the owner or operator and the groundwater charges, based on the determination together with any interest and penalties, shall be payable immediately unless within 10 days after the mailing of the notice the owner or operator files with the governing body a written protest setting forth the ground for protesting the amount of production or the groundwater charges, interest, and penalties. If a protest is filed pursuant to this subdivision, the governing body shall hold a hearing to determine the total amount of the groundwater production and the groundwater charges, interest, and penalties. The determination by the governing body at the hearing shall be conclusive if based upon substantial evidence. Notice of the hearing shall be mailed to each protestant at least 10 days before the date fixed for the hearing. Notice of the determination of the governing body hearing shall be mailed to each protestant. The owner or operator shall have 20 days from the date of mailing of the determination to pay the groundwater charges, interest, and penalties determined by the governing body.

Chapter 9. Groundwater Sustainability Agency Enforcement Powers

10732. (a) (1) A person who extracts groundwater in excess of the amount that person is authorized to extract under a rule, regulation, ordinance, or resolution adopted pursuant to Section 10725.2, shall be subject to a civil penalty not to exceed five hundred dollars (\$500) per acre-foot extracted in excess of the amount that person is authorized to extract. Liability under this subdivision is in addition to any liability imposed under paragraph (2) and any fee imposed for the extraction.

- (2) A person who violates any rule, regulation, ordinance, or resolution adopted pursuant to Section 10724.2 shall be liable for a civil penalty not to exceed one thousand dollars (\$1,000) plus one hundred dollars (\$100) for each additional day on which the violation continues if the person fails to comply within 30 days after the local agency has notified the person of the violation.
- (b) (1) A groundwater sustainability agency may bring an action in the superior court to determine whether a violation occurred and to impose a civil penalty described in subdivision (a).
- (2) A groundwater sustainability agency may administratively impose a civil penalty described in subdivision (a) after providing notice and an opportunity for a hearing.
- (3) In determining the amount of the penalty, the superior court or the groundwater sustainability agency shall take into consideration all relevant circumstances, including, but not limited to, the nature and persistence of the violation,

the extent of the harm caused by the violation, the length of time over which the violation occurs, and any corrective action taken by the violator.

- (c) A penalty imposed pursuant to this section shall be paid to the groundwater sustainability agency and shall be expended solely for purposes of this part.
- (d) Penalties imposed pursuant to this section are in addition to any civil penalty or criminal fine under any other law.

Chapter 10. State Evaluation and Assessment

- 10733. (a) The department shall periodically review the groundwater sustainability plans developed by groundwater sustainability agencies pursuant to this part to evaluate whether a plan conforms with Sections 10727.2 and 10727.4 and is likely to achieve the sustainability goal for the basin covered by the groundwater sustainability plan.
- (b) If a groundwater sustainability agency develops multiple groundwater sustainability plans for a basin, the department shall evaluate whether the plans conform with Sections 10727.2, 10727.4, and 10727.6 and are together likely to achieve the sustainability goal for the basin covered by the groundwater sustainability plans.
- 10733.2. (a) By June 1, 2016, the department, in consultation with the board, shall develop guidelines for evaluating groundwater sustainability plans and groundwater sustainability programs pursuant to this chapter.
- (b) The guidelines shall identify the necessary plan components specified in Sections 10727.2 and 10727.4 and other information that will assist local agencies in

developing and implementing groundwater sustainability plans and groundwater sustainability programs.

- (c) The department may update the guidelines, including to incorporate the best management practices identified pursuant to Section 10729.
- (d) The guidelines required pursuant to this section are exempt from Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The establishment of guidelines pursuant to this section shall instead be accomplished by means of a public process reasonably calculated to give interested persons an opportunity to be heard.
- 10733.4. (a) Upon completion of a groundwater sustainability plan, a groundwater sustainability agency shall submit the groundwater sustainability plan to the department for review pursuant to this chapter.
- (b) If groundwater sustainability agencies develop multiple groundwater sustainability plans for a basin, the submission required by subdivision (a) shall not occur until the entire basin is covered by groundwater sustainability plans. When the entire basin is covered by groundwater sustainability plans, the groundwater sustainability agencies shall jointly submit to the department all of the following:
 - (1) The groundwater sustainability plans.
- (2) An explanation of how the groundwater sustainability plans implemented together satisfy Section 10729 for the entire basin.
- (3) A copy of the coordination agreement between the groundwater sustainability agencies to ensure the coordinated implementation of the groundwater sustainability plans for the entire basin.

- (c) Upon receipt of a groundwater sustainability plan, the department shall post the plan on the department's Internet Web site and provide 60 days for persons to submit comments to the department about the plan.
- (d) The department shall evaluate the groundwater sustainability plan within two years of its submission by a groundwater sustainability agency and issue an assessment of the plan. The assessment may include recommended corrective actions to address any deficiencies identified by the department.
- 10733.6. (a) If there is not a groundwater sustainability plan for a basin, but a local agency believes that an alternative plan, such as a plan developed pursuant to Part 2.75 (commencing with Section 10750), satisfies the objectives of this part, the local agency may submit the alternative plan to the department for evaluation and assessment of whether the plan is the functional equivalent of a groundwater sustainability plan pursuant to this part. In evaluating an alternative plan, the department shall, to the extent feasible, use the guidelines developed pursuant to Section 10733.2.
- (b) A basin shall be in compliance with this part if a groundwater agency for a basin or other local agency submits to the department, no later than January 31, 2020, and every five years thereafter, any of the following documents:
- (1) A copy of a governing final judgment or other judicial order or decree establishing a groundwater sustainability program for the basin.
- (2) A report approved by a groundwater agency that shows that current management or operations activities have been consistent with the sustainable yield of the basin over a period of at least 10 years. The report shall be prepared by a registered professional engineer or geologist who is licensed by the state and submitted

under that engineer's or geologist's seal. The report may demonstrate compliance with the sustainability goal in the basin by presenting a balanced water budget for the basin, a technical analysis demonstrating stable groundwater levels over the relevant period, or other sufficient technical analyses.

10733.8. At least every five years after submission, the department, in consultation with the board, shall review any available groundwater sustainability plan, alternative plan submitted in accordance with Section 10729.6, and the implementation of the corresponding groundwater sustainability program for consistency with this part, including achieving the sustainability goal. The department shall issue an assessment for each basin for which a plan has been submitted in accordance with this chapter. The assessment may include recommended corrective actions to address any deficiencies identified by the department.

- 10734. (a) Consistent with Section 3 of Article XIII A of the California Constitution, the department shall adopt a schedule of fees to recover costs incurred in carrying out this chapter.
- (b) It is the intent of the Legislature to amend this measure to adopt additional authority for the department to implement the fee authority provided by this section.

CHAPTER 11. STATE INTERVENTION

- 10735. As used in this chapter, the following terms have the following meanings:
- (a) "Condition of long-term overdraft" means the condition of a groundwater basin where the average annual amount of water extracted for a long-term period,

generally 10 years or more, exceeds the long-term average annual supply of water to the basin, plus any temporary surplus. Overdraft during a period of drought is not sufficient to establish a condition of long-term overdraft if extractions and recharge are managed as necessary to ensure that reductions in groundwater levels or storage during a period of drought are offset by increases in groundwater levels or storage during other periods.

- (b) "Person" means any person, firm, association, organization, partnership, business, trust, corporation, limited liability company, or public agency, including any city, county, city and county, district, joint powers authority, state, or any agency or department of those entities. "Person" includes, to the extent authorized by federal law, the United States, a department, agency or instrumentality of the federal government, an Indian tribe, an authorized Indian tribal organization, or interstate body.
- (c) "Probationary basin" means a basin for which the board has issued a determination under this section.
- (d) "Significant depletions of interconnected surface waters" means reductions in flow or levels of a surface water that is hydrologically connected to the basin such that the reduced surface water flow or level adversely affects beneficial uses of the surface water.
- 10735.2. (a) The board, after notice and a public hearing, may designate a basin as a probationary basin, if the board finds one or more of the following applies to the basin:
 - (1) After January 1, 2017, none of the following have occurred:

- (A) No local agency has elected to be a groundwater sustainability agency that intends to develop a groundwater sustainability plan for the entire basin.
- (B) No collection of local agencies has formed a groundwater sustainability agency or prepared agreements to develop one or more groundwater sustainability plans that will collectively serve as a groundwater sustainability plan for the entire basin.
- (C) There is no plan developed pursuant to Part 2.75 (commencing with Section 10750) that satisfies the objectives of this part.
- (D) There is no report approved by a groundwater agency that shows that current management or operations activities have been consistent with the sustainable yield of the basin over a period of at least 10 years, as described in paragraph (2) of subdivision (b) of Section 10733.6.
 - (2) After January 31, 2020, none of the following have occurred:
- (A) No groundwater sustainability agency has adopted a groundwater sustainability plan for the entire basin.
- (B) No collection of local agencies have adopted groundwater sustainability plans that collectively serve as a groundwater sustainability plan for the entire basin.
- (C) The department has not determined that a local agency has a functional equivalent as described in Section 10733.6.
- (D) There is no report approved by a groundwater agency that shows that current management or operations activities have been consistent with the sustainable yield of the basin over a period of at least 10 years, as described in paragraph (2) of subdivision (b) of Section 10733.6.

- (3) After January 31, 2020, either of the following have occurred:
- (A) The department has determined that a groundwater sustainability plan is inadequate or that the groundwater sustainability program is not being implemented in a manner that will likely achieve the sustainability goal.
- (B) The basin is in a condition of long-term overdraft or in a condition where groundwater extractions result in significant depletions of interconnected surface waters.
- (b) (1) In making the findings associated with subparagraph (A) of paragraph (3) of subdivision (a), the board may rely on periodic assessments the department has prepared pursuant to Chapter 10 (commencing with Section 10733). The board may request that the department conduct additional assessments utilizing the guidelines developed pursuant to Chapter 10 (commencing with 10733) and make determinations pursuant to this section. The board shall post on its Internet Web site and provide at least 30 days for the public to comment on any determinations provided by the department pursuant to this subdivision.
- (2) The board shall consult with the department in assessing technical determinations pursuant to subparagraph (A) of paragraph (3) of subdivision (a).
- (c) The determination shall set an amount of groundwater extractions, for purposes of establishing the amount for which reports of groundwater extraction are required under Part 5.2 (commencing with Section 5200) of Division 2, and may include exclusions for certain classes or categories of extractions that are likely to have a minimal impact on basin withdrawals.

- 10735.4. (a) If the board designates a basin as a probationary basin pursuant to paragraph (1) or (2) of subdivision (a) of Section 10735.2, a local agency or groundwater sustainability agency shall have 180 days to remedy the deficiency. The board may appoint a mediator or other facilitator, after consultation with affected local agencies, to assist in resolving disputes, and identifying and implementing actions that will remedy the deficiency.
- (b) After the 180-day period provided by subdivision (a), the board may provide additional time to remedy the deficiency if it finds that a local agency is making substantial progress toward remedying the deficiency.
- (c) The board may develop an interim plan pursuant to Section 10735.8 for the probationary basin at the end of the time period provided by subdivision (a) or any extension provided pursuant to subdivision (b), if the board, in consultation with the department, determines that a local agency has not remedied the deficiency that resulted in designating the basin as a probationary basin pursuant to this section.
- 10735.6. (a) If the board designates a basin as a probationary basin pursuant to paragraph (3) of subdivision (a) of Section 10735.2, the board shall identify the specific deficiencies and identify potential actions to address the deficiencies. The board may request the department to provide local agencies, within 90 days of the designation of a probationary basin, with technical recommendations to remedy the deficiencies.
- (b) The board may develop an interim plan pursuant to Section 10735.8 for the probationary basin one year after the designation of the basin pursuant to paragraph (3) of subdivision (a) of Section 10735.2, if the board, in consultation with the

department, determines that a local agency has not remedied the deficiency that result in designating the basin a probationary basin.

- 10735.8. (a) The board, after notice and a public hearing, may adopt an interim plan for a probationary basin.
 - (b) The interim plan shall include all of the following:
- (1) Identification of the actions that are necessary to correct a condition of long-term overdraft or a condition where groundwater extractions result in significant depletions of interconnected surface waters, including recommendations for appropriate action by any person.
 - (2) A time schedule for the actions to be taken.
- (3) A description of the monitoring to be undertaken to determine effectiveness of the plan.
 - (c) The interim plan may include the following:
 - (1) Restrictions on groundwater pumping or extraction.
 - (2) A physical solution.
- (3) Principles and guidelines for the administration of rights to surface waters that are connected to the basin.
- (d) To the extent feasible, consistent with Sections 100 and 275 and subdivision (e), the interim plan shall be consistent with water right priorities.
- (e) Where, in the judgment of the board, a groundwater sustainability plan, groundwater sustainability program, or an adjudication action can be relied on as part of the interim plan, either throughout the basin or in an area within the basin, the board may rely on, or incorporate elements of, that plan, program, or adjudication into the

interim plan adopted by the board or allow local agencies to continue implementing those parts of a plan or program that the board determines are adequate.

- (f) In carrying out activities that may affect the probationary basin, state entities shall comply with an interim plan adopted by the board pursuant to this section unless otherwise directed or authorized by statute and the state entity shall indicate to the board in writing the authority for not complying with the interim plan.
- (g) (1) After the board adopts an interim plan under this section, the board shall determine if a groundwater sustainability plan or an adjudication action is adequate to eliminate the condition of long-term overdraft or condition where groundwater extractions result in significant depletions of interconnected surface waters, upon petition of either of the following:
- (A) A groundwater sustainability agency that has adopted a groundwater sustainability plan for the probationary basin or a portion thereof.
- (B) A person authorized to file the petition by a judicial order or decree entered in an adjudication action in the probationary basin.
- (2) The board shall act on a petition filed pursuant to paragraph (1) within 90 days after the petition is complete. If the board determines that the groundwater sustainability plan or adjudication action is adequate, the board shall rescind the interim plan adopted by the board for the probationary basin, except as provided in paragraphs (3) and (4).
- (3) Upon request of the petitioner, the board may amend an interim plan adopted under this section to eliminate portions of the interim plan, while allowing other portions of the interim plan to continue in effect.

- (4) The board may decline to rescind an interim plan adopted pursuant to this section if the board determines that the petitioner has not provided adequate assurances that the groundwater sustainability plan or judicial order or decree will be implemented.
- (5) This subdivision is not a limitation on the authority of the board to stay its proceedings under this section or to rescind or amend an interim plan adopted pursuant to this section based on the progress made by a groundwater sustainability agency or in an adjudication action, even if the board cannot make a determination of adequacy in accordance with paragraph (1).
- 10736. (a) The board shall adopt or amend a determination or interim plan under Section 10735.2 or 10735.8 in accordance with procedures for quasi-legislative action.
- (b) The board shall provide notice of a hearing described in subdivision (a) of Section 10735.2 or subdivision (a) of Section 10735.8 as follows:
- (1) At least 90 days before the hearing, the board shall publish notice of the hearing on its Internet Web site.
- (2) At least 90 days before the hearing, the board shall notify the department and each city, county, or city and county in which any part of the basin is situated.
- (3) (A) For the purposes of this paragraph, the terms "board-designated local area" and "local agency" have the same meaning as defined in Section 5009.
- (B) At least 60 days before the hearing, the board shall mail or send by electronic mail notice to all persons known to the board who extract or who propose to extract water from the basin, or who have made written or electronic mail requests to the board for special notice of hearing pursuant to this part. If any portion of the basin is within

a board-designated local area, the records made available to the board by the local agency in accordance with paragraph (4) of subdivision (d) of Section 5009 shall include the names and addresses of persons and entities known to the local agency who extract water from the basin, and the board shall mail or send by electronic mail notice to those persons.

- (c) The board shall provide notice of proceedings to amend or repeal a determination or plan under Section 10735.2 or 10735.8 as appropriate to the proceedings, taking into account the nature of the proposed revision and the person likely to be affected.
- (d) (1) Except as provided in paragraphs (2) and (3), Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 2 of Title 2 of the Government Code does not apply to any action authorized pursuant to Section 10735.2 or 10735.8.
- (2) The board may adopt a regulation in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 2 of Title 2 of the Government Code setting procedures for adopting a determination or plan.
- (3) The board may adopt a regulation applying or interpreting this part pursuant to Section 1530 if the board determines that the emergency regulation is reasonably necessary for the allocation, administration, or collection of fees authorized pursuant to Section 1529.5.
- 10736.2. Division 13 (commencing with Section 21000) of the Public Resources Code does not apply to any action or failure to act by the board under this chapter, other than the adoption or amendment of an interim plan pursuant to Section 10735.8.

10736.4. The extraction or use of water extracted in violation of an interim plan under this part shall not be relied upon as a basis for establishing the extraction or use of water to support a claim in an action or proceeding for determination of water rights.

10736.6. (a) The board may order a person that extracts or uses water from a basin that is subject to an investigation or proceeding under this chapter to prepare and submit to the board any technical or monitoring program reports related to that person's or entity's extraction or use of water as the board may specify. The costs incurred by the person in the preparation of those reports shall bear a reasonable relationship to the need for the report and the benefit to be obtained from the report. If the preparation of individual reports would result in a duplication of effort, or if the reports are necessary to evaluate the cumulative effect of several diversions or uses of water, the board may order any person subject to this subdivision to pay a reasonable share of the cost of preparing reports.

- (b) (1) An order issued pursuant to this section shall be served by personal service or registered mail on the party to submit technical or monitoring program reports or to pay a share of the costs of preparing reports. Unless the board issues the order after a hearing, the order shall inform the party of the right to request a hearing within 30 days after the party has been served. If the party does not request a hearing within that 30-day period, the order shall take effect as issued. If the party requests a hearing within that 30-day period, the board may adopt a decision and order after conducting a hearing.
- (2) In-lieu of adopting an order directed at named persons in accordance with the procedures specified in paragraph (1), the board may adopt a regulation applicable

to a category or class of persons in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 2 of Title 2 of the Government Code.

- (c) Upon application of a person or upon its own motion, the board may review and revise an order issued or regulation adopted pursuant to this section in accordance with the procedures set forth in subdivision (b).
- (d) In conducting an investigation or proceeding pursuant to this part, the board may inspect the property or facilities of a person to ascertain whether the purposes of this part are being met and to ascertain compliance with this part. The board may obtain an inspection warrant pursuant to the procedures set forth in Title 13 (commencing with Section 1822.50) of Part 3 of the Code of Civil Procedure for the purposes of an inspection pursuant to this subdivision.
 - SEC. 11. Section 10750.1 is added to the Water Code, to read:
- 10750.1. (a) Beginning January 1, 2015, a new plan shall not be adopted and an existing plan shall not be renewed pursuant to this part, except as provided in subdivision (b). A plan adopted before January 1, 2015, shall remain in effect until a groundwater sustainability plan is adopted pursuant to Part 2.74 (commencing with Section 10720).
- (b) This section does not apply to a low- or very low priority basin as categorized for the purposes of Part 2.74 (commencing with Section 10720).
 - SEC. 12. Section 10927 of the Water Code is amended to read:
- 10927. Any of the following entities may assume responsibility for monitoring and reporting groundwater elevations in all or a part of a basin or subbasin in accordance with this part:

- (a) A watermaster or water management engineer appointed by a court or pursuant to statute to administer a final judgment determining rights to groundwater.
- (b) (1) A groundwater management agency with statutory authority to manage groundwater pursuant to its principal act that is monitoring groundwater elevations in all or a part of a groundwater basin or subbasin on or before January 1, 2010.
- (2) A water replenishment district established pursuant to Division 18 (commencing with Section 60000). This part does not expand or otherwise affect the authority of a water replenishment district relating to monitoring groundwater elevations.
- (3) A groundwater sustainability agency with statutory authority to manage groundwater pursuant to Part 2.74 (commencing with Section 10720).
- (c) A local agency that is managing all or part of a groundwater basin or subbasin pursuant to Part 2.75 (commencing with Section 10750) and that was monitoring groundwater elevations in all or a part of a groundwater basin or subbasin on or before January 1, 2010, or a local agency or county that is managing all or part of a groundwater basin or subbasin pursuant to any other legally enforceable groundwater management plan with provisions that are substantively similar to those described in that part and that was monitoring groundwater elevations in all or a part of a groundwater basin or subbasin on or before January 1, 2010.
- (d) A local agency that is managing all or part of a groundwater basin or subbasin pursuant to an integrated regional water management plan prepared pursuant to Part 2.2 (commencing with Section 10530) that includes a groundwater management component that complies with the requirements of Section 10753.7.

- (e) A local agency that has been collecting and reporting groundwater elevations and that does not have an adopted groundwater management plan, if the local agency adopts a groundwater management plan in accordance with Part 2.75 (commencing with Section 10750) by January 1, 2014. The department may authorize the local agency to conduct the monitoring and reporting of groundwater elevations pursuant to this part on an interim basis, until the local agency adopts a groundwater management plan in accordance with Part 2.75 (commencing with Section 10750) or until January 1, 2014, whichever occurs first.
- (f) A county that is not managing all or a part of a groundwater basin or subbasin pursuant to a legally enforceable groundwater management plan with provisions that are substantively similar to those described in Part 2.75 (commencing with Section 10750).
- (g) A voluntary cooperative groundwater monitoring association formed pursuant to Section 10935.
 - SEC. 13. Section 10933 of the Water Code is amended to read:
- 10933. (a) On or before January 1, 2012, the The department shall commence to identify the extent of monitoring of groundwater elevations that is being undertaken within each basin and subbasin.
- (b) (1) The department shall prioritize groundwater basins and subbasins for the purpose of implementing this section. In prioritizing the basins and subbasins, the department shall, to the extent data are available, consider all of the following:

(1)

(A) The population overlying the basin or subbasin.

(2)

(B) The rate of current and projected growth of the population overlying the basin or subbasin.

(3)

(C) The number of public supply wells that draw from the basin or subbasin.

(4)

(D) The total number of wells that draw from the basin or subbasin.

(5)

(E) The irrigated acreage overlying the basin or subbasin.

(6)

(F) The degree to which persons overlying the basin or subbasin rely on groundwater as their primary source of water.

(7)

(G) Any documented impacts on the groundwater within the basin or subbasin, including overdraft, subsidence, saline intrusion, and other water quality degradation.

(8)

- (H) Any other information determined to be relevant by the department.
- (2) The department, in consultation with the Department of Fish and Wildlife, shall identify and develop prioritization criteria for the purpose of identifying groundwater basins and subbasins that should be prioritized based on adverse impacts to habitat and surface water resources. The criteria shall be incorporated into the determination of basin and subbasin prioritization at the department's next update of basin and subbasin prioritizations that occurs after January 1, 2017.

- (c) If the department determines that all or part of a basin or subbasin is not being monitored pursuant to this part, the department shall do all of the following:
 - (1) Attempt to contact all well owners within the area not being monitored.
 - (2) Determine if there is an interest in establishing any of the following:
- (A) A groundwater management plan pursuant to Part 2.75 (commencing with Section 10750).
- (B) An integrated regional water management plan pursuant to Part 2.2 (commencing with Section 10530) that includes a groundwater management component that complies with the requirements of Section 10753.7.
 - (C) A voluntary groundwater monitoring association pursuant to Section 10935.
- (d) If the department determines that there is sufficient interest in establishing a plan or association described in paragraph (2) of subdivision (c), or if the county agrees to perform the groundwater monitoring functions in accordance with this part, the department shall work cooperatively with the interested parties to comply with the requirements of this part within two years.
- (e) If the department determines, with regard to a basin or subbasin, that there is insufficient interest in establishing a plan or association described in paragraph (2) of subdivision (c), and if the county decides not to perform the groundwater monitoring and reporting functions of this part, the department shall do all of the following:
- (1) Identify any existing monitoring wells that overlie the basin or subbasin that are owned or operated by the department or any other state or federal agency.

- (2) Determine whether the monitoring wells identified pursuant to paragraph (1) provide sufficient information to demonstrate seasonal and long-term trends in groundwater elevations.
- (3) If the department determines that the monitoring wells identified pursuant to paragraph (1) provide sufficient information to demonstrate seasonal and long-term trends in groundwater elevations, the department shall not perform groundwater monitoring functions pursuant to Section 10933.5.
- (4) If the department determines that the monitoring wells identified pursuant to paragraph (1) provide insufficient information to demonstrate seasonal and long-term trends in groundwater elevations, the department shall perform groundwater monitoring functions pursuant to Section 10933.5.
 - SEC. 14. Section 12924 of the Water Code is amended to read:
- 12924. (a) The department, in conjunction with other public agencies, shall conduct an investigation of the state's groundwater basins. The department shall identify the state's groundwater basins on the basis of geological and hydrological conditions and consideration of political boundary lines whenever practical. The department shall also investigate existing general patterns of groundwater pumping and groundwater recharge within those basins to the extent necessary to identify basins that are subject to critical conditions of overdraft.
- (b) The department may revise the boundaries of groundwater basins identified in subdivision (a) based on its own investigations or information provided by others.

(b)

- (c) The department shall report its findings to the Governor and the Legislature not later than January 1, 2012, and thereafter in years ending in 5 or 0.
- SEC. 15. 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. 16. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution for certain costs that may be incurred by a local agency or school district because, in that regard, this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

However, if the Commission on State Mandates determines that this act contains other 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.

SEC. 17. The Legislature finds and declares that Section 5 of this act, which adds Section 10730.8 to the Water Code, imposes a limitation on the public's right of access to the meetings of public bodies or the writings of public officials and agencies within the meaning of Section 3 of Article I of the California Constitution. Pursuant to that constitutional provision, the Legislature makes the following findings to demonstrate the interest protected by this limitation and the need for protecting that interest:

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In order to allow this act to fully accomplish its goals, it is necessary to protect proprietary information submitted pursuant to this act as confidential. Therefore, it is in the state's interest to limit public access to this information.

Amendment 6

On page 6, strike out lines 1 to 15, inclusive, and strike out pages 7 to 38, inclusive