

California Water Conservation, Flood Control and Stormwater Management Act of 2016

Background

Local agencies have to capture and manage stormwater more than ever before or else face extensive fines due to environmental regulations under the federal Clean Water Act. However, procedural requirements make it difficult to fund infrastructure for stormwater management and flood control.

For example, stormwater and flood control projects are subject to different public notification and protest procedures than water and sewer projects. These inconsistent rules are bad public policy and they have resulted in a lack of funding options to adequately capture and treat stormwater.

Furthermore, local agencies need clearer rules about the ratemaking process so they can implement rates that encourage water conservation while still preserving public accountability and a clear connection between rates and cost.

Many agencies are interested in pursuing lifeline rates to assist low-income customers, but current law limits their options by restricting ratepayer funds from being used to discount rates. Some agencies have identified a need for flexibility in the law to establish these lifeline rates, which can keep the water flowing for their most vulnerable customers.

In response all of these concerns and their collective impact on local agencies' ability to fund local water supplies, water quality, water conservation and flood protection projects, CSAC, the League of California Cities, and the Association of California Water Agencies have filed an initiative that, if enacted, would amend the constitution and establish the California Water Conservation, Flood Control and Stormwater Management Act of 2016.

Talking Points

- The **new, optional funding method** established by the California Water Conservation, Flood Control and Stormwater Management Act of 2016 would let local agencies:
 - **Set rates that encourage water conservation**, prevent waste, discourage excessive use of water, and the cost of providing water supplies.
 - Adopt fees for water, sewer, flood control, and stormwater management subject to **the same ratepayer notice, protest, and veto requirements** to ensure adequate water supplies, reduce property damage, and protect coastal waters, rivers, lakes, and sources of drinking water from contamination.
 - **Reduce water and sewer charges for low-income customers** using ratepayer funds.
- **Strict accountability, transparency, and ratepayer protections** are included for any local agency that uses this optional funding method.

