City of Sacramento Law and Legislation Committee Report

915 I Street Sacramento, CA 95814 www.cityofsacramento.org

File ID: 2024-01282 6/18/2024 Consent Item 3.

Legislative Advocacy Correspondence

File ID: 2024-01282

Location: Citywide

Recommendation: Receive and file.

Contact: Consuelo Hernandez, Director of Governmental Affairs, (916) 808-7395,

cahernandez@cityofsacramento.org, Office of the City Manager

Presenter: None.

Attachments:

1-Legislative Advocacy Correspondence



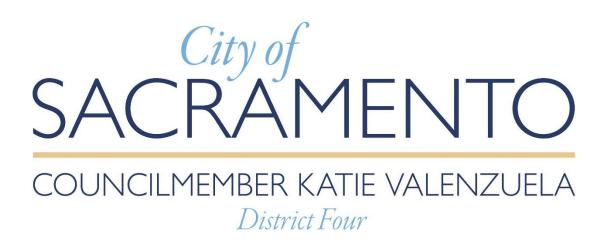
Position Letters 2023-2024

Date	Bill/Subject	Author	Description of Issue	Position	Notes/Status
5/28/24	SB 867/AB 1567	Allen/Barcia	Climate Resilience Bond	Support if Amended	Coaltion letter
5/3/24		Huffman	Water Conservation Rebate Tax Parity Act	Support	
4/15/24	AB 2200	Kalra	California Guaranteed Health Care for All Act (CalCare)	Support	
4/9/24	SB 1218	Newman	Emergency Water Supplies	Support	Coaliton letter
4/4/24	REAP 2.0		REAP 2.0 Funding		Request to the Legislature to reject a proposed \$300 million cut
4/1/24	SB 1139	Ashby	SAFCA Urban Flood Protection Deadline Extension	Support	
3/28/24	AB 2236	Bauer-Kahan	Eliminating Plastic Bags	Support	
3/28/24	SB 1110	Ashby	Reasonable Enforcement of Water Use Efficiency	Support	
2/2/24	LIWHAP	Padilla	LIWHAP Establishment Act	Support	
9/25/23	SB 51	Bradford	Cannabis Provisional Licenses: Local Equity Applicants	Request for Governor's signature	Signed by the Governor
9/25/23	SB 669	Cortese	Veterinarians	Request for Governor's signature	Signed by the Governor
9/22/23	AB 28	Gabriel	Firearms and Ammunition: Excise Tax	Request for Governor's signature	Signed by the Governor

				Request for Governor's	
9/22/23	AB 40	Rodriguez	Emergency Medical Services	signature	Signed by the Governor
9/22/23	AB 316	Aguiar-Curry	Autonomous Vehicles	Request for Governor's signature	Vetoed by the Governor
9/22/23	AB 350	Aguiar-Curry	Regional Transportation Plans: SACOG	Request for Governor's signature	Signed by the Governor
9/22/23	AB 645	Friedman	Vehicles: Speed Safety Pilot Program	Request for Governor's signature	Signed by the Governor
9/22/23	AB 1052	McCarty	Sacramento Regional Transit District's Ballot Authority	Request for Governor's signature	Signed by the Governor
9/22/23	AB 1078	Jackson	Instructional Materials and Curriculum: Diversity	Request for Governor's signature	Signed by the Governor
9/22/23	ACA 13	Ward	Voting Thresholds	Request for Governor's signature	Signed by the Governor
9/22/23	SB 659	Ashby	California Water Supply Solutions Act of 2023	Request for Governor's signature	Signed by the Governor
8/28/23	AB 316	Aguiar-Curry	Autonomous Vehicles	Support	Vetoed by the Governor
8/28/23	ACA 13	Ward	Voting Thresholds	Support	Signed by the Governor
7/11/23	AB 223	Ward	Confidential Proceedings	Support	Signed by the Governor
7/11/23	AB 783	Ting	Single-Use Restrooms	Support	Signed by the Governor
7/11/23	AB 957	Wilson	Family Law and Gender Identity	Support	Vetoed by the Governor
7/11/23	AB 994	Jackson	Law Enforcement: Social Media	Support	Signed by the Governor

7/11/23	AB 1078	Jackson	Instructional Materials and Curriculum: Diversity	Support	Signed by the Governor
7/11/23	SB 372	Menjivar	DCA Licensee and Registration Records	Support	Signed by the Governor
7/11/23	SB 760	Muratsuchi	School Facilities: All Gender Restrooms	Support	Signed by the Governor
7/10/23	AB 1052	McCarty	Sacramento Regional Transit District's Ballot Authority	Support	Signed by the Governor
7/7/23	AB 645	Friedman	Vehicles: Speed Safety Pilot Program	Support	Signed by the Governor
6/23/23	AB 40	Rodriguez	Emergency Medical Services	Support	Signed by the Governor
6/21/23	AB 28	Gabriel	Firearms and Ammunition: Excise Tax	Support	Signed by the Governor
6/9/23	SB 407	Wiener	Foster Care: Resource Families	Support	Signed by the Governor
6/9/23	SB 659	Ashby	California Water Supply Solutions Act of 2023	Support	Signed by the Governor
6/9/23	SB 511	Blakespear	Greenhouse Gas Emissions Inventories	Support	Held in Assembly Appropriations Committee
6/9/23	AB 350	Aguiar-Curry	Regional Transportation Plans: SACOG	Support	Signed by the Governor
5/23/23			Regulation Change re the Striped Bass Slot Limit		Coalition letter to California Fish and Game Commission
4/11/23			Budget request to fund 30x30	Support	
4/11/23	SB 511	Blakespear	Greenhouse Gas Emissions Inventories	Support	Held in Assembly Appropriations Committee

4/4/23	AB 735	Berman	Workforce Development: Utility Careers	Support	Held in Assembly Appropriations Committee
3/28/23	AB 285	Luz Rivas	Pupil Instruction: Science Requirements: Climate Change	Support	Signed by the Governor
3/27/23			Budget request to fund the Local Equitable Access to Food (LEAF) Program	Support	Coalition letter
3/21/23			Budget request for Continued Assistance for Customer Water and Wastewater Arrearages Accrued During the Pandemic	Support	Coalition letter
3/21/23	AB 333	Nguyen	Abandoned Vehicle Service Authorities Licenses and Permits	Support	In Assembly Transportation Committee
3/6/23	AB 350	Aguiar-Curry	Regional Transportation Plans: SACOG	Support	Signed by the Governor



May 3, 2024

The Honorable Jared Huffman U.S. House of Representatives 2445 Rayburn House Office Building Washington, D.C. 20515

RE: WATER CONSERVATION REBATE TAX PARITY ACT -SUPPORT

Dear Representative Huffman:

On behalf of the City of Sacramento (City), I write to express our support of the "Water Conservation Rebate Tax Parity Act" and our appreciation of your leadership on this issue.

For your background, the City delivers an estimated 37 billion gallons of potable water per year to over 530,000 customers in a 100 square-mile service area. Our water system includes two water treatment plants, 12 storage reservoirs, over 30 municipal groundwater wells, and approximately 1,700 miles of pipeline.

Since 2014 the City has invested \$3.4 million to help transform our landscape away from water thirsty grass and into more climate appropriate California friendly landscaping and improve water use efficiency in homes. To date, our turf replacement program has provided rebates for residential, commercial, industrial, and institutional sites to remove about 1.7 million square-feet of lawn. Last year alone, our turf replacement program provided rebates for residential, commercial, and industrial sites to remove an estimated 212,000 square-feet of lawn, resulting in an estimated annual water savings of 345,000 gallons in FY23. Additionally, we have rebate programs for water-efficient products, such as smart controllers, irrigation efficiency upgrades and rain barrels.

With climate change stressing water availability, we need to ensure the transition to more efficient water use is rewarded not penalized. Energy conservation incentives are currently tax exempt, but water conservation incentives are not. Rebates offered by water agencies for turf removal, low flow toilets, and other water efficient products are considered taxable income. Water agencies provide 1099s at the end of the year to customers that have received \$600 or more in water rebates. Your bill would fix this problem and help make it easier for water conservation to become a way of life for all Californians.

The City looks forward to working with you to advance the "Water Conservation Tax Parity Rebate Act" and appreciates your leadership on this issue. Should you have any questions about our support, please contact Anne Sanger, Government Affairs Manager, Department of Utilities, at 916-808-5378 or asanger@cityofsacramento.org.

Sincerely,

Katie Valenzuela

Chair, Law and Legislation Committee





















May 28, 2024

The Honorable Gavin Newsom Governor of California 1021 O Street, Room 9000 Sacramento, CA 95814

The Honorable Robert Rivas California State Assembly 1021 O Street, Room 8330 Sacramento, CA 95814

The Honorable Mike McGuire California State Senate 1021 O Street, Room 8518 Sacramento, CA 95814

The Honorable Ben Allen California State Senate 1021 O Street, Room 6610 Sacramento, CA 95814

The Honorable Eduardo Garcia California State Assembly 1021 O Street, Room 8120 Sacramento, CA 95814

Subject: SB 867 (Allen) & AB 1567 (Garcia) Climate Resilience Bond—SUPPORT IF AMENDED

Dear Governor Newsom, Pro Tempore McGuire, Speaker Rivas, Senator Allen & Assemblymember Garcia,

On behalf of a large coalition including the California Stormwater Quality Association (CASQA), we write in support of SB 867 (Allen) and AB1567 (Garcia) if amended to include a significant amount of funding for stormwater capture & municipal flood prevention projects. CASQA is a nonprofit corporation that advances sustainable stormwater management protective of California water resources. With approximately 2,000 members, our membership is comprised of over 180 cities, 23 counties, special districts, federal agencies, state agencies, ports, universities and school districts, wastewater agencies, water suppliers, industries, and consulting firms throughout the state. Collectively, CASQA represents over 34 million people in California.

If we have learned anything from California's record-breaking wet year, it is that we must invest in better infrastructure to prepare for more extreme droughts and floods. Investing and incentivizing stormwater capture projects will build water resilience across the state, enhance water quality in our sacred watersheds and protect communities from catastrophic flooding events. Few investments provide more benefits within our communities; funding stormwater capture is an investment in water supply, flood control, environmental quality, green infrastructure, street beautification, sanitation, water conservation, and groundwater recharge.

STORMWATER CAPTURE IS KEY TO THE STATE'S WATER SUPPLY STRATEGY

Our coalition applauds the direction laid out within the Administration's California Water Supply Strategy, in particular the focus on making new water available for use throughout our state by capturing stormwater. Stormwater is a critically untapped resource, and our state's infrastructure must be updated to capture as much as possible, while also providing key water quality, greenspace and other objectives to benefit our waterways and communities. We stand ready to support the Administration in constructing stormwater projects throughout the state to capture at least 250,000 acre feet by 2030 and 500,000 acre-feet by 2040. We also can confirm the Administration's recognition that funding is they key obstacle in constructing new stormwater capture projects throughout the state.

CREATING NEW WATER

With changing precipitation patterns and declining snowpack, capturing stormwater in our urban communities simply must occur to adapt to climate change and long periods of drought. Our aging flood control systems were designed to capture and move water from urban landscapes as fast as possible. Meaning, even when experiencing extreme drought, the majority of our rainwater simply washes out of our communities. The current water year underscores how vital it is to invest today, to ensure that our communities are prepared and able to maximize opportunities for capture when the rains and snow are abundant. Capturing water in our communities and protecting our water resources will provide substantial value — healthier, more livable, and more resilient communities. As reflected in the Water Supply Strategy, the opportunity for stormwater capture to boost California's water supply is significant. It is estimated that state's urban regions shed 770,000 to 3.9 million acre feet of runoff a year that could be captured. That's enough to supply between 2.7 and 13.7 million households for a year. We simply cannot ignore the potential that stormwater capture has in drought proofing our state as we head into a new climate reality.

CRITICAL NEED

As identified by the California Water Supply Strategy, most stormwater programs in California lack dedicated funding. Almost all municipalities rely solely on their local general fund — the same source of funding for law enforcement, fire, paramedics, parks, street lighting and libraries. Even if local communities were to secure a dedicated local source of funding, local communities alone cannot provide the resources needed to reshape our urban landscapes. The State of California has a significant role to play, particularly in our underserved communities.

Unlike all other water resources (e.g., drinking water, wastewater), the vast majority of stormwater programs in California lack a dedicated funding source. Meaning, there are no rate payers to support these regulated and vital community services. The primary barrier to dedicated, local funding was the passage Proposition 218 (1996), which requires a two-thirds vote of the electorate to approve a fee or charge for any non-exempted fee. Local communities therefore must rely upon their General Fund. Funding a significant utility through the local General Fund is not sustainable, particularly for communities with limited resources.

To comply with existing stormwater permit conditions, local governments are already facing funding gaps of hundreds of millions of dollars per year, with cumulative gaps over the next 20 years in the billions of dollars. Existing requirements for stormwater needs in the Los Angeles area alone will require \$20 billion over 20 years, averaging out to a \$1 billion needed each year. The County of San Mateo has a need of \$700 million - \$1 Billion. The annual

Pacific Institute, https://pacinst.org/wp-content/uploads/2022/04/PI_California_Untapped_Urban_Water_Potential_2022-1.pdf

funding gap to achieve existing permit requirements is hundreds of millions of dollars, **per county.** At the city scale, the City of San Diego has identified a funding gap of \$467.8 million in FY 2022, with a cumulative funding gap of \$5.47 billion over FYs 2022-2041.

COMMUNITY BENEFIT

Greater investment in urban stormwater capture will yield significant socioeconomic benefits, *in addition to the benefits of augmenting the water supply and improving flood control.* According to a study on the socioeconomic value of urban stormwater capture², the *annual* dollar value of the benefits estimated alone exceeded the total cost of each project studied. In other words, *all* of the study projects had a one-year payoff. It is highly unusual to find a one-year return. This one-year return indicates underinvestment in urban stormwater capture and that more public investment in this space would likely yield extremely high returns in terms of community benefit.

FUNDING REQUEST & CLIMATE/RESOURCE/WATER BOND

It will require visionary thinking and long-term, substantial investment to replumb California and mitigate for the increasing environmental challenges we see due to climate change. It is therefore critical not only to recognize and value stormwater capture as vital to climate adaptation, but to provide the significant financial investments to make it a reality.

While stormwater management is one of the most important ways we can protect our precious waterways while also increasing valuable water supplies, stormwater capture remains one of the most chronically underfunded infrastructure needs facing local governments today. We support the Legislature's interest in pursuing a climate resilience bond to double-down on California's commitment to a climate resilient infrastructure and the California Stormwater Quality Association respectfully requests that significant funding go towards stormwater capture projects that reduce urban flood risk and promote water quality. Specifically, we request at least \$750 million be dedicated to stormwater capture and municipal flood risk reduction projects as written below:

The sum of seven hundred and fifty million dollars (\$750,000,000) shall be available, upon appropriation by the Legislature, to the department for urban flood risk reduction. Projects funded pursuant to this subdivision shall address flooding in urbanized areas and provide multiple benefits. Eligible projects shall include, but are not limited to, stormwater capture and reuse, planning and implementation of low-impact development, restoration of urban streams and watersheds, debris flow mitigation, and increasing permeable surfaces to help reduce flooding.

To achieve the Governor's Water Supply Strategy, it will take significant investment at both the local and statewide level. We stand ready to discuss how stormwater capture must be prioritized as we replumb our infrastructure to adapt to a rapidly changing and erratic climate. Thank you for your consideration and for the reasons highlighted above, our coalition supports a Climate Resilience Bond if amended to provide substantial funding for stormwater capture and municipal flood prevention projects.

² Ceto Consulting, prepared on behalf of CASQA, <u>Socioeconomic Value of Urban Stormwater Capture</u> (February 2024); https://www.casqa.org/wp-content/uploads/2024/02/FINAL-The-Socioeconomic-Value-of-Urban-Stormwater-Capture-02-03-2024.pdf

Sincerely,

Karen Cowan, Executive Director California Stormwater Quality Association

City of Sacramento Katie Valenzuela, Chair, Law & Legislation Committee, Councilmember - District 4

City of Salinas David Jacobs, Public Works Director

City of Carpinteria Michael Ramirez, City Manager

City of Rancho Cordova Micah Runner, City Manager

C/CAG San Mateo County Sean Charpentier, Executive Director, C/CAG San Mateo County

City of San Jose Sarah Zarate, Director of Administration, Policy, and Intergovernmental Relations, City of San Jose

Contra Costa County Public Works Department Tim Jensen, Assistant Public Works Director, Contra Costa County Public Works Department

Russian River Watershed Association (RRWA) Andy Rodgers, Executive Director, RRWA

City of Santa Barbara Erin Markey, Creeks Restoration and Water Quality Improvement Manager