

**Outline of Assembly Water Bond Proposal**  
**August 19, 2008**

**The Safe, Clean, Reliable Drinking Water Supply Act of 2008**

**Total: \$9.805billion**

**Regional Water Supply Reliability: \$2 billion**  
**(Legislative appropriation)**

- \$1.5 billion for grants for regional projects that implement adopted integrated regional water management (IRWM) plans, including surface storage, recycling, conservation, water quality improvements. Includes \$300 million for interregional projects with statewide benefits.
- \$500 million for local and regional drought relief projects that reduce the impacts of Delta diversion reductions and drought conditions. Projects must be consistent with an adopted IRWM plan, and ready to be on line within 2 years.

**Statewide Improvements in Water Storage: \$3 billion**  
**(Legislative appropriation to Water Commission)**

- Funds public benefits of new state water project additions (e.g. ecosystem, flood control, and water quality improvements).
- Eligible projects include CALFED surface storage projects (excluding expansion of Shasta Reservoir), groundwater storage, reservoir re-operation, and regional storage with state benefits.
- Ecosystem improvements must make up at least 50% of public benefits derived from each project.
- Reconstituted California Water Commission would oversee competitive public process to fund each project.

**Delta Sustainability: \$1.9 billion**  
**(Legislative appropriation)**

- \$500 million for Delta improvements that improve water supply reliability for in-Delta and export users, water quality, and physical improvement for habitat quality.
- \$1.4 billion for ecosystem restoration consistent with the Bay Delta Conservation Plan and the findings of the Delta Vision Blue Ribbon Task Force, and for other native fish and wildlife restoration projects.
- No funding for construction of water transfer/conveyance facility (e.g. peripheral canal).

**ASSEMBLY BILL**

**No. 8**

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**Introduced by Assembly Members Huffman, Caballero, and Wolk**

August 21, 2008

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An act to add Division 26.7 (commencing with Section 79700) to the Water Code, relating to financing a water supply reliability and water source protection program, by providing the funds necessary therefor through an election for the issuance and sale of bonds of the State of California and for the handling and disposition of those funds, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 8, as introduced, Huffman. Safe, Clean, Reliable Drinking Water Supply Act of 2008.

Under existing law, various measures have been approved by the voters to provide funds for water protection, facilities, and programs.

This bill would enact the Safe, Clean, Reliable Drinking Water Supply Act of 2008 which, if approved by the voters, would authorize, for the purposes of financing specified water supply reliability and water source protection programs, the issuance of bonds in the amount of \$9,805,000,000 pursuant to the State General Obligation Bond Law.

The bill would provide for submission of the bond act to the voters at the November 4, 2008, statewide general election.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote:  $\frac{2}{3}$ . Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Division 26.7 (commencing with Section 79700)  
2 is added to the Water Code, to read:

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4 DIVISION 26.7. THE SAFE, CLEAN, RELIABLE DRINKING  
5 WATER SUPPLY ACT OF 2008

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7 CHAPTER 1. SHORT TITLE

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9 79700. This division shall be known and may be cited as the  
10 Safe, Clean, Reliable Drinking Water Supply Act of 2008.

11  
12 CHAPTER 2. FINDINGS AND DECLARATIONS

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14 79701. The people of California find and declare all of the  
15 following:

16 (a) Safeguarding supplies of clean, safe drinking water to  
17 California’s homes, businesses, and farms is an essential  
18 responsibility of government, and critical to protecting the quality  
19 of life for Californians.

20 (b) Every Californian should have access to clean, safe, reliable  
21 drinking water.

22 (c) Providing adequate supplies of clean, safe drinking water is  
23 vital to keeping California’s economy growing and strong.

24 (d) Encouraging water conservation and recycling are  
25 commonsense methods to make more efficient use of existing  
26 water supplies.

27 (e) Protecting lakes, rivers, and streams from pollution, cleaning  
28 up polluted groundwater supplies, and protecting water sources  
29 that supply the entire state are crucial to providing a reliable supply  
30 of drinking water and protecting the state’s natural resources.

31  
32 CHAPTER 3. DEFINITIONS

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34 79702. Unless the context otherwise requires, the definitions  
35 set forth in this section govern the construction of this division, as  
36 follows:

- 1 (a) “Bay Delta Conservation Plan” means the final plan prepared  
2 pursuant to the Planning Agreement regarding the Bay Delta  
3 Conservation Plan, dated October 6, 2006.
- 4 (b) “Bay-Delta Estuary” means the Delta, Suisun Bay, and  
5 Suisun Marsh.
- 6 (c) “CALFED Bay-Delta Program” means the program  
7 described in the Record of Decision dated August 28, 2000.
- 8 (d) “Committee” means the Safe, Clean, Reliable Drinking  
9 Water Supply Finance Committee created by Section 79782.
- 10 (e) “Delta” means the Sacramento-San Joaquin Delta as defined  
11 in Section 12220.
- 12 (f) “Delta conveyance facilities” means facilities that convey  
13 water directly from the Sacramento River to the State Water Project  
14 or the federal Central Valley Project pumping facilities in the south  
15 Delta.
- 16 (g) “Department” means the Department of Water Resources.
- 17 (h) “Director” means the Director of Water Resources.
- 18 (i) “Disadvantaged community” has the meaning set forth in  
19 subdivision (a) of Section 79505.5.
- 20 (j) “Fund” means the Safe, Clean, Reliable Drinking Water  
21 Supply Fund of 2008 created by Section 79720.
- 22 (k) “Integrated regional water management plan” means a  
23 comprehensive plan for a defined geographic area, the specific  
24 development and content of which shall be defined by guidelines  
25 adopted by the department. At a minimum, an integrated regional  
26 water management plan describes the major water-related  
27 objectives and conflicts within a region, considers a broad variety  
28 of water management strategies, and identifies the appropriate  
29 combination of water demand and supply management alternatives,  
30 water quality protections, and environmental stewardship actions  
31 to provide long-term, reliable, and high-quality water supplies and  
32 to protect the environment.
- 33 (l) “Nonprofit organization” means an organization qualified  
34 to do business in California and qualified under Section 501(c) (3)  
35 of Title 26 of the United States Internal Revenue Code.
- 36 (m) “Public agency” means a state agency or department,  
37 district, joint powers authority, city, county, city and county, or  
38 other political subdivision of the state.
- 39 (n) “Secretary” means the Secretary of the Resources Agency.

1 (o) “State General Obligation Bond Law” means the State  
 2 General Obligation Bond Law (Chapter 4 (commencing with  
 3 Section 16720) of Part 3 of Division 4 of Title 2 of the Government  
 4 Code).

5  
 6 CHAPTER 4. GENERAL PROVISIONS  
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8 79710. An amount that equals not more than 5 percent of the  
 9 funds allocated for a grant program pursuant to this division may  
 10 be used to pay the administrative costs of that program.

11 79710.5. Up to 10 percent of funds allocated for each program  
 12 funded by this division may be used to finance planning and  
 13 monitoring necessary for the successful design, selection, and  
 14 implementation of the projects authorized under that program.  
 15 This section shall not otherwise restrict funds ordinarily used by  
 16 an agency for “preliminary plans,” “working drawings,” and  
 17 “construction” as defined in the annual Budget Act for a capital  
 18 outlay project or grant project. Water quality monitoring shall be  
 19 integrated into the surface water ambient monitoring program  
 20 administered by the State Water Resources Control Board.

21 79711. Chapter 3.5 (commencing with Section 11340) of Part  
 22 1 of Division 3 of Title 2 of the Government Code does not apply  
 23 to the development or implementation of programs or projects  
 24 authorized or funded under Chapter 6 (commencing with Section  
 25 79721), Chapter 7 (commencing with Section 79730), Chapter 9  
 26 (commencing with Section 79750), Chapter 10 (commencing with  
 27 Section 79775), and Chapter 11 (commencing with Section 79779).

28 79712. (a) Prior to disbursing grants pursuant to this division,  
 29 each state agency that is required to administer a competitive grant  
 30 program under this division shall develop project solicitation and  
 31 evaluation guidelines. The guidelines may include a limitation on  
 32 the dollar amount of grants to be awarded.

33 (b) Prior to disbursing grants, the state agency shall conduct  
 34 three public meetings to consider public comments prior to  
 35 finalizing the guidelines. The state agency shall publish the draft  
 36 solicitation and evaluation guidelines on its Internet Web site at  
 37 least 30 days before the public meetings. One meeting shall be  
 38 conducted at a location in northern California, one meeting shall  
 39 be conducted in the central valley, and one meeting shall be  
 40 conducted at a location in southern California. Upon adoption, the

1 state agency shall transmit copies of the guidelines to the fiscal  
2 committees and the appropriate policy committees of the  
3 Legislature.

4 79713. It is the intent of the people that the investment of public  
5 funds pursuant to this division result in public benefits.

6 79714. The State Auditor shall annually conduct a  
7 programmatic review and an audit of expenditures from the fund.  
8 The State Auditor shall report its findings annually on or before  
9 March 1 to the Governor and the Legislature, and shall make the  
10 findings available to the public.

11 79715. Funds provided by this division shall not be used to  
12 support or pay for the costs of environmental mitigation measures  
13 or compliance obligations of any party except as part of the  
14 environmental mitigation costs of projects financed by this division.  
15 Funds provided by this division may be used for environmental  
16 enhancements or other public benefits.

17 79716. Funds provided by this division shall not be expended  
18 to pay the costs of the design, construction, operation, or  
19 maintenance of Delta conveyance facilities. Those costs shall be  
20 the responsibility of the agencies that benefit from the design,  
21 construction, operation, or maintenance of those facilities.

22 79717. Nothing in this division shall limit or otherwise affect  
23 the application of Sections 10505, 10505.5, 11128, 11460, 11461,  
24 11462, and 11463 and Sections 12200 to 12220, inclusive.

25 79718. The Legislature may enact legislation necessary to  
26 implement programs funded by this division.

27 79719. Eligible applicants under this division are public  
28 agencies, nonprofit organizations, public utilities, and mutual water  
29 companies. To be eligible for funding under this division, a project,  
30 proposed by a public utility that is regulated by the Public Utilities  
31 Commission or a mutual water company, shall have a clear and  
32 definite public purpose and shall benefit the customers of the water  
33 system.

34

35 CHAPTER 5. SAFE, CLEAN, RELIABLE DRINKING WATER SUPPLY  
36 FUND OF 2008  
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38 79720. The proceeds of bonds issued and sold pursuant to this  
39 division shall be deposited in the Safe, Clean, Reliable Drinking  
40 Water Supply Fund of 2008, which is hereby created.

CHAPTER 6. WATER SUPPLY RELIABILITY

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3 79721. The sum of one billion five hundred million dollars  
4 (\$1,500,000,000) shall be available, upon appropriation by the  
5 Legislature, from the fund to the department for competitive grants  
6 in accordance with Section 79722.

7 79722. (a) Except as provided in subdivision (f), the  
8 department shall award grants to eligible projects that implement  
9 an adopted integrated regional water management plan.

10 (b) An urban water supplier that does not prepare, adopt, and  
11 submit its urban water management plan in accordance with the  
12 Urban Water Management Planning Act (Part 2.6 (commencing  
13 with Section 10610) of Division 6) is ineligible to receive funds  
14 made available pursuant to Section 79721 until the urban water  
15 management plan is prepared and submitted in accordance with  
16 the requirements of that act.

17 (c) The department shall require a local cost share of not less  
18 than 50 percent of the total costs of the projects. The department  
19 may waive or reduce the cost-sharing requirement for projects that  
20 directly benefit a disadvantaged community.

21 (d) Eligible projects include, but are not limited to, all of the  
22 following:

23 (1) Agricultural and urban water use efficiency implementation  
24 projects, including, but not limited to, feasibility studies, technical  
25 assistance, education, and public outreach, and projects that result  
26 in water savings, increased instream flow, improved water quality,  
27 or increased energy efficiency.

28 (2) Recycling, reclamation, water treatment for the recovery of  
29 water supplies, desalination, and associated facilities, including  
30 distributions systems.

31 (3) Groundwater and surface storage projects, and conjunctive  
32 use and reservoir reoperation projects.

33 (4) Groundwater contamination prevention, cleanup, and  
34 treatment, and other water quality projects necessary to protect  
35 existing or potential water supplies. The implementation of a  
36 project financed pursuant to this paragraph does not relieve a  
37 responsible party or liable person from that person’s obligation  
38 under existing state or federal law to clean up or remediate, or  
39 otherwise treat, contaminated water.

1 (5) Projects that reduce contributions to climate change from  
2 water management systems.

3 (6) Projects that enhance the adaptability to climate change of  
4 water management systems.

5 (7) Other projects that meet the requirements of Section 75026  
6 of the Public Resources Code.

7 (e) The funding provided in Section 79721 shall be allocated  
8 to each hydrologic region as identified in the California Water  
9 Plan in accordance with this subdivision. For the South Coast  
10 hydrologic region, the department shall establish three funding  
11 areas that reflect the watersheds of San Diego County (designated  
12 as the San Diego subregion), the Santa Ana River watershed and  
13 southern Orange County (designated as the Santa Ana subregion),  
14 and the Los Angeles and Ventura County watersheds (designated  
15 as the Los Angeles subregion), and shall allocate funds to those  
16 areas in accordance with this subdivision. The North and South  
17 Lahontan hydrologic regions shall be treated as one area for the  
18 purpose of allocating funds. The department may recognize  
19 multiple integrated regional water management plans in each of  
20 the areas allocated funding. Funds made available by this chapter  
21 shall be allocated as follows:

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23	(1) North Coast	\$70,000,000
24	(2) San Francisco Bay	\$150,000,000
25	(3) Central Coast	\$82,000,000
26	(4) Los Angeles subregion	\$210,000,000
27	(5) Santa Ana subregion	\$146,000,000
28	(6) San Diego subregion	\$108,000,000
29	(7) Sacramento River	\$103,000,000
30	(8) San Joaquin River	\$91,000,000
31	(9) Tulare/Kern	\$93,000,000
32	(10) North/South Lahontan	\$75,000,000
33	(11) Colorado River Basin	\$72,000,000
34	(12) Interregional	\$300,000,000
35		

36 (f) Interregional funds may be expended directly or granted by  
37 the department to address multiregional needs or state priorities,  
38 including, but not limited to, any of the following:

39 (1) Investing in new water technology development and  
40 deployment.

1 (2) Meeting state water recycling and water conservation goals.

2 (3) Adapting to climate change impacts.

3 (4) Reducing contributions to climate change.

4 (5) Other projects to improve statewide water management  
5 systems.

6 (6) Other projects and activities designed to meet the needs of  
7 disadvantaged communities, including technical and grant writing  
8 assistance.

9 79723. (a) The sum of five hundred million dollars  
10 (\$500,000,000) is available, upon appropriation by the Legislature  
11 from the fund, to the department for grants and expenditures for  
12 the planning, design, and construction of local and regional drought  
13 relief projects that reduce the impacts of drought conditions,  
14 including, but not limited to, the impacts of reductions in Delta  
15 diversions. Projects shall be consistent with an adopted integrated  
16 regional water management plan and include the following types  
17 of projects:

18 (1) Water conservation and efficiency projects.

19 (2) Water recycling and related infrastructure.

20 (3) Stormwater capture.

21 (4) Groundwater cleanup.

22 (5) Local and regional conveyance projects that improve  
23 connectivity and water management.

24 (6) Other local and regional water supply reliability projects.

25 (b) Projects shall meet both of the following conditions:

26 (1) The project shall provide a sustainable water supply that  
27 does not contribute to groundwater overdraft or increase surface  
28 water diversions.

29 (2) The project shall be capable of being operational within two  
30 years of receiving the grant.

31 (c) Preference shall be given to applicants that can demonstrate  
32 substantial past and current investments in conservation and local  
33 water projects.

34 (d) The department shall require a cost share of not less than  
35 50 percent of total project costs from nonstate sources. The  
36 department may waive or reduce the cost share requirement for  
37 projects that directly benefit disadvantaged communities.

CHAPTER 7. DELTA SUSTAINABILITY

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79730. (a) The Bay-Delta Estuary is a unique and irreplaceable combination of environmental and economic resources. Current management and use of the Delta is not sustainable, and results in a high level of conflict among various interests. Future Delta sustainability is threatened by changing hydrology due to climate change, water diversions, flood risk, seismic events, nonnative species, toxics, and other environmental problems. Future management of the Delta must improve Delta ecosystem health and improve the means of Delta water conveyance in order to protect drinking water quality, improve water supply reliability, restore ecosystem health, and preserve agricultural and recreational values in the Delta, while providing to counties and watersheds of origin assurances that their priority to water resources will be protected and that programs or facilities implemented or constructed in the Delta will not result in redirection of unmitigated, significant adverse impacts to the counties and watershed of origin. Many sources of funding will be needed to implement improved Delta management.

(b) This chapter provides state funding for public benefits associated with projects needed to assist in the Delta’s sustainability as a vital resource for fish, wildlife, water quality, water supply, agriculture, and recreation.

(c) In implementing this chapter, the Resources Agency, or another agency as may be established by statute to provide oversight and management for Delta projects, taking into consideration the recommendations of the Blue Ribbon Task Force established by Executive Order S-17-06 and the Bay Delta Conservation Plan, shall develop, in cooperation with the department, the Department of Fish and Game, and the State Water Resources Control Board, a comprehensive Delta sustainability program that balances the coequal goals of ecosystem revitalization and environmentally sustainable water supply, and that meets all of the following criteria:

(1) Reduces impacts to native fish caused by the operation of the export pumps and improves the operational flexibility and ability of the State Water Project and the Central Valley Project to provide the ecosystem and water supply benefits described by this subdivision.

1 (2) Provides for habitat improvements for fish and wildlife in  
 2 the Delta, the recovery of listed species, and sustainable ecosystem  
 3 functions.

4 (3) Provides improved water supply reliability and conveyance  
 5 for the State Water Project and the Central Valley Project and for  
 6 water transfers.

7 (4) Improves the quality of the water pumped at state and federal  
 8 water pumping facilities to protect the public health and improves  
 9 the ability to manage salinity.

10 (5) Reduces vulnerability to seismic events in or near the Delta  
 11 and provides flexibility to manage uncertainties associated with  
 12 climate change and future fishery needs.

13 (6) Promotes ecosystem restoration, levy system integrity, water  
 14 quality, and sustainable communities, in the Delta.

15 (7) Facilitates wet year water storage for use in dry years.

16 79731. The sum of one billion nine hundred million dollars  
 17 (\$1,900,000,000) is available upon appropriation by the Legislature  
 18 from the fund for grants and direct expenditure, as follows:

19 (a) Seven hundred million dollars (\$700,000,000) for projects  
 20 that provide public benefits and support Delta sustainability  
 21 options, including projects that do any of the following:

22 (1) Ensure that urban and agricultural water supplies derived  
 23 from the Delta, including water supplies used within the Delta, are  
 24 not disrupted because of catastrophic failures of Delta levees  
 25 resulting from earthquakes, floods, land sinking, rising ocean  
 26 levels, or other forces.

27 (2) Improve the quality of drinking water derived from the Delta.

28 (3) Provide physical improvements or other actions to create  
 29 waterflow and water quality conditions within the Delta to provide  
 30 adequate habitat for native fish and wildlife.

31 (4) Facilitate other projects that provide public benefits and  
 32 support Delta sustainability options approved by the Legislature,  
 33 including costs associated with planning, monitoring, and design  
 34 of alternatives, and project modifications and adaptations necessary  
 35 to achieve the goals of this chapter.

36 (b) One billion two hundred million dollars (\$1,200,000,000)  
 37 for projects to protect and enhance the sustainability of the Delta  
 38 ecosystem, including any of the following:

39 (1) Projects for the development and implementation of the Bay  
 40 Delta Conservation Plan that promote the conservation, as that

1 term is defined in Chapter 10 (commencing with Section 2800) of  
 2 Division 3 of the Fish and Game Code, of covered species, and  
 3 for native fishery restoration projects that are consistent with the  
 4 recommendations of the Blue Ribbon Task Force established by  
 5 Executive Order S-17-06. The projects shall be implemented  
 6 through a cooperative effort among regulatory agencies, regulated  
 7 and potentially regulated entities, and affected parties, including  
 8 state and federal water contractors. These funds may be expended  
 9 for the preparation of environmental documentation and  
 10 environmental compliance that meets the requirements of Chapter  
 11 10 (commencing with Section 2800) of Division 3 of the Fish and  
 12 Game Code.

13 (2) Other projects to protect and restore native fish and wildlife  
 14 dependent on the Delta ecosystem, including the acquisition of  
 15 water rights, the removal or reduction of undesirable invasive  
 16 species, and projects both in and out of the Delta that improve the  
 17 ability to restore and recover native anadromous fish species.

18 (3) Projects to reduce greenhouse gas emissions from exposed  
 19 Delta soils.

20 (4) Projects that reduce impacts of mercury contamination of  
 21 the Delta and its watersheds, and remediation and elimination of  
 22 continuing sources of mercury contamination.

23 79732. The secretary, or other public official as may be  
 24 designated by statute, shall adopt the program described in  
 25 subdivision (c) of Section 79730 and submit it to the Legislature.  
 26 By April 1 of each year following the submission of the program,  
 27 the secretary, or another public official as may be designated by  
 28 statute, shall evaluate the progress in implementing the program,  
 29 determine if adequate progress is being made, and submit those  
 30 findings to the Legislature along with recommendations to improve  
 31 the implementation of the program.

32

33 CHAPTER 8. STATEWIDE WATER SYSTEM OPERATIONAL  
 34 IMPROVEMENT

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36 79740. (a) For purposes of this chapter, “commission” means  
 37 the California Water Commission established in Article 2  
 38 (commencing with Section 150) of Chapter 2 of Division 1.

39 (b) Notwithstanding Section 162, the commission may make  
 40 the determinations, findings, and recommendations required of it

1 by this chapter independent of the views of the director. All final  
2 actions by the commission in implementing this chapter shall be  
3 taken by a majority of the members of the commission at a public  
4 meeting noticed and held pursuant to the Bagley-Keene Open  
5 Meeting Act (Article 9 (commencing with Section 11120) of  
6 Chapter 1 of Part 1 of Division 3 of Title 2 of the Government  
7 Code).

8 (c) The sum of three billion dollars (\$3,000,000,000) is  
9 available, upon appropriation by the Legislature from the fund, to  
10 the commission for public benefits associated with water storage  
11 projects that improve the operation of the state water system, are  
12 cost effective, and provide a net improvement in ecosystem and  
13 water quality conditions, in accordance with this chapter. Funds  
14 authorized for, or made available to, the commission pursuant to  
15 this chapter shall be available and used only for the purposes  
16 provided in this chapter, and shall not be subject to appropriation  
17 or transfer by the Legislature or the Governor for any other  
18 purpose.

19 (d) Projects shall be selected by the commission through a  
20 competitive public process that ranks potential projects based on  
21 the expected return for public investment as measured by the  
22 magnitude of the public benefits provided, pursuant to criteria  
23 established under this chapter.

24 (e) Any project constructed with funds provided by this chapter  
25 shall be subject to Section 11590.

26 (f) Notwithstanding subdivision (c), up to 10 percent of the three  
27 billion dollars (\$3,000,000,000) made available by subdivision (c)  
28 shall be made available, upon appropriation by the Legislature  
29 from the fund, to the Department of Fish and Game and the State  
30 Water Resources Control Board to implement this chapter.

31 79741. Projects for which the public benefits are eligible for  
32 funding under this chapter consist of any of the following:

33 (a) Surface storage projects identified in the CALFED Bay-Delta  
34 Program Record of Decision, dated August 28, 2000, excluding  
35 the expansion of the Shasta Reservoir.

36 (b) Groundwater storage projects and groundwater  
37 contamination prevention or remediation projects that provide  
38 water storage benefits.

39 (c) Conjunctive use and reservoir reoperation projects.

1 (d) Regional and local surface storage projects that improve the  
2 operation of water systems in the state and provide public benefits.

3 79741.5. A project shall not be funded pursuant to this chapter  
4 unless it provides measurable improvements to the Delta  
5 ecosystem, including, but not limited to, measurable contributions  
6 to Delta ecosystem improvements from the tributaries to the Delta.

7 79742. (a) Funds allocated pursuant to this chapter may be  
8 expended solely for the following public benefits associated with  
9 water storage projects:

10 (1) Ecosystem improvements, including changing the timing of  
11 water diversions, improvement in flow conditions, temperature,  
12 or other benefits that contribute to restoration of aquatic ecosystems  
13 and native fish and wildlife, including those ecosystems and fish  
14 and wildlife in the Delta.

15 (2) Water quality improvements in the Delta, or in other river  
16 systems, that provide significant public trust resources, or that  
17 clean up and restore groundwater resources.

18 (3) Flood control benefits, including, but not limited to, increases  
19 in flood reservation space in existing reservoirs by exchange for  
20 existing or increased water storage capacity in response to the  
21 effects of changing hydrology and decreasing snow pack on  
22 California's water and flood management system.

23 (b) For the purposes of this chapter, "public benefits" does not  
24 include the costs of environmental mitigation measures or  
25 compliance obligations.

26 79743. In consultation with the Department of Fish and Game,  
27 the State Water Resources Control Board, and the department, the  
28 commission shall develop and adopt, by regulation, methods for  
29 quantification and management of public benefits described under  
30 Section 79742 by December 15, 2010. The regulations shall include  
31 the priorities and relative environmental value of ecosystem  
32 benefits as provided by the Department of Fish and Game and the  
33 priorities and relative environmental value of water quality benefits  
34 as provided by the State Water Resources Control Board.

35 79744. (a) Except as provided under subdivision (c), no funds  
36 allocated pursuant to this chapter may be allocated for a project  
37 unless the commission approves the project based on the  
38 commission's determination that all of the following have occurred:

1 (1) The commission has adopted the regulations specified in  
2 Section 79743 and specifically quantified and made public the cost  
3 of the public benefits associated with the project.

4 (2) The department has entered into a contract with each party  
5 who will derive benefits, other than public benefits as defined in  
6 Section 79742, from the project that ensures the party will pay its  
7 share of the total costs of the project. The benefits available to a  
8 party shall be consistent with that party’s share of total project  
9 costs.

10 (3) The department has entered into a contract with each public  
11 agency identified in Section 79743 that administers the public  
12 benefits, after that agency makes a finding that the public benefits  
13 of the project for which that agency is responsible meet all the  
14 requirements of this chapter, to assure that the public contribution  
15 of funds pursuant to this chapter achieves the public benefits  
16 identified for the project.

17 (4) The commission has held a public hearing for the purposes  
18 of providing an opportunity for the public to review and comment  
19 on the information required to be prepared pursuant to this  
20 subdivision.

21 (5) All of the following additional conditions are met:  
22 (A) Feasibility studies have been completed.  
23 (B) The director has found and determined that the project is  
24 feasible and is consistent with all applicable laws and regulations.  
25 (C) All environmental documentation associated with the project  
26 has been completed, and all other federal, state, and local approvals,  
27 certifications, and agreements required to be completed have been  
28 obtained.

29 (b) The commission shall submit to the Legislature its findings  
30 for each of the criteria listed in subdivision (a) for a project funded  
31 pursuant to this chapter.

32 (c) Notwithstanding subdivision (a), funds may be made  
33 available under this chapter for the completion of environmental  
34 documentation and permitting of a project if all of the conditions  
35 of this section have been met except for the conditions established  
36 under subparagraph (C) of paragraph (5) of subdivision (a).

37 79745. (a) The public benefit cost share of a project funded  
38 pursuant to this chapter, other than a project defined under  
39 subdivision (c) of Section 79741, may not exceed 50 percent of  
40 the total costs of any project funded under this chapter.

1 (b) No project may be funded unless it provides ecosystem  
2 improvements as described in paragraph (1) of subdivision (a) of  
3 Section 79742 that are at least 50 percent of total public benefits  
4 of the project funded under this chapter.

5 79746. (a) No project identified in subdivision (a) of Section  
6 79741 shall be eligible for funding under this chapter unless, by  
7 January 1, 2014, all of the following conditions are met:

8 (1) All feasibility studies are complete and draft environmental  
9 documentation is available for public review.

10 (2) The director makes a finding that the project is feasible.

11 (3) The director receives commitments for not less than 75  
12 percent of the nonstate cost share of the project.

13 (b) If compliance with subdivision (a) is delayed by litigation  
14 or failure to promulgate regulations, the date in subdivision (a)  
15 shall be extended by the director for a time period that is equal to  
16 the time period of the delay.

17 79747. Surface storage projects funded pursuant to this chapter  
18 and described in subdivision (a) of Section 79741 may be made a  
19 unit of the Central Valley Project as provided in Section 11290  
20 and may be financed, acquired, constructed, operated, and  
21 maintained pursuant to Part 3 (commencing with Section 11100)  
22 of Division 6.

23

24 CHAPTER 9. CONSERVATION AND WATERSHED PROTECTION

25

26 79750. The sum of one billion dollars (\$1,000,000,000) is  
27 available, upon appropriation by the Legislature from the fund, in  
28 accordance with this chapter, for expenditures and grants for  
29 ecosystem and watershed protection and restoration projects,  
30 including, but not limited to, all of the following watersheds:

31 (a) The San Joaquin River watershed.

32 (b) The Kern River and Tulare Basin watersheds.

33 (c) The Salton Sea and Colorado River watersheds.

34 (d) The Los Angeles River watershed.

35 (e) The San Gabriel River watershed.

36 (f) The Santa Ana River watershed.

37 (g) The Klamath River watershed, including the Trinity, Scott,  
38 and Shasta Rivers and watersheds.

39 (h) North coast watersheds.

40 (i) San Francisco Bay watersheds.

- 1 (j) Central coast watersheds.
- 2 (k) South coast watersheds.
- 3 (l) Lake Tahoe Basin watershed.
- 4 (m) The Sacramento River watershed, including the Yolo
- 5 Bypass.
- 6 (n) San Diego County coastal watersheds.
- 7 (o) The Ventura River watershed.
- 8 (p) The Sierra Nevada Mountain watersheds.
- 9 (q) The Mojave River watershed.
- 10 (r) The Owens River watershed.
- 11 (s) The Santa Monica Bay watershed.

12 79751. (a) Funds provided for the Sacramento River and San  
 13 Joaquin River watersheds under Section 79750 shall be available  
 14 for projects consistent with the ecosystem restoration program  
 15 element of the California Bay-Delta Program, or its successor, or  
 16 the San Joaquin River Parkway Master Plan.

17 (b) Funds provided for Salton Sea watershed projects under  
 18 Section 79750 shall be available for Salton Sea restoration activities  
 19 identified for “Period I” in the Resources Agency report entitled  
 20 “Salton Sea Ecosystem Restoration Program Preferred Alternative  
 21 Report and Funding Plan,” dated May 2007.

22 (c) Funds provided for the Lake Tahoe Basin watershed under  
 23 Section 79750 shall be available for projects consistent with the  
 24 Lake Tahoe Environmental Improvement Program.

25 (d) Funds provided for the Los Angeles River and San Gabriel  
 26 River watersheds under Section 79750 shall be available pursuant  
 27 to Section 79508, and for projects identified in the Los Angeles  
 28 River Revitalization Master Plan.

29 79752. (a) The sum of eighty-five million dollars  
 30 (\$85,000,000) is available, upon appropriation by the Legislature  
 31 from the fund, to the Department of Fish and Game for  
 32 expenditures and grants to protect the Delta ecosystem and the  
 33 state’s water supply from invasive species, including, but not  
 34 limited to, asiatic clams, zebra mussels, quagga mussels, and New  
 35 Zealand mud snails.

36 (b) At least fifty million dollars (\$50,000,000) of the funds  
 37 provided pursuant to subdivision (a) shall be available for grants  
 38 to public agencies, including water agencies, to pay for capital  
 39 expenditures associated with the control of invasive species,  
 40 including, but not limited to, chlorination facilities, habitat

1 modifications, and monitoring equipment. The Department of Fish  
2 and Game shall administer the grant program.

3 (c) The Legislature, by statute, shall establish requirements for  
4 both of the following:

5 (1) Repayment of grant funds made available pursuant to this  
6 section in the event of cost recovery from parties responsible for  
7 the introduction of invasive species that affect the Delta ecosystem  
8 and the state's water supply.

9 (2) Recipients of grants to make reasonable efforts to recover  
10 costs from parties described in paragraph (1).

11 79753. For restoration and ecosystem protection projects under  
12 this chapter, the services of the California Conservation Corps or  
13 community conservation corps shall be used whenever feasible.

14 79754. Funds provided under this chapter may be appropriated  
15 to the Resources Agency, the Department of Fish and Game, the  
16 Wildlife Conservation Board, the California Conservation Corps,  
17 the Department of Parks and Recreation, or to state conservancies  
18 for expenditures and grants consistent with this chapter and other  
19 applicable laws.

20 79755. Of the funds made available pursuant to Section 79750,  
21 not less than two hundred million dollars (\$200,000,000) shall be  
22 available to the State Coastal Conservancy for projects within  
23 coastal counties and coastal watersheds, including grants to the  
24 San Diego River Conservancy and for the Santa Ana River  
25 Parkway.

26 79756. Of the funds provided in Section 79750, not less than  
27 one hundred million dollars (\$100,000,000) shall be available to  
28 the Wildlife Conservation Board for direct expenditure or grants  
29 for the acquisition of water rights from willing sellers and the  
30 conveyance of water for the benefit of migratory birds on wildlife  
31 refuges and wildlife habitat areas subject to Section 3406(d) of the  
32 federal Central Valley Project Improvement Act (Public Law  
33 102-575).

34 79757. Of the funds provided in Section 79750, not less than  
35 two hundred million dollars (\$200,000,000) shall be available to  
36 the Wildlife Conservation Board for direct expenditure or grants  
37 for the protection or restoration of watershed lands that provide  
38 sources of drinking water or rivers and streams that support species  
39 listed as threatened or endangered under state or federal law.

1 79758. The sum of one hundred million dollars (\$100,000,000)  
 2 is available, upon appropriation by the Legislature from the fund,  
 3 to the Wildlife Conservation Board, in consultation with the  
 4 Department of Forestry and Fire Protection, for grants and direct  
 5 expenditures for watershed restoration in fire damaged areas, and  
 6 for fuel load reduction and other projects to reduce the potential  
 7 for watershed damage from wildfires to protect water quality, fish,  
 8 and wildlife.

9 79759. The sum of one hundred fifty million dollars  
 10 (\$150,000,000) is available, upon appropriation by the Legislature  
 11 from the fund, to the Department of Fish and Game and the State  
 12 Coastal Conservancy for grants and expenditures for projects that  
 13 improve fish passage on rivers and streams, including barrier  
 14 removal, sediment management, and related watershed restoration.

15 79760. For the purposes of this chapter, the terms “restoration”  
 16 and “protection” have the meanings set forth in Section 75005 of  
 17 the Public Resources Code.

18

19 CHAPTER 10. GROUNDWATER PROTECTION AND WATER  
 20 QUALITY

21

22 79775. (a) The sum of three hundred sixty million dollars  
 23 (\$360,000,000) is available, upon appropriation by the Legislature  
 24 from the fund, for expenditures, grants, and loans for projects to  
 25 prevent or reduce the contamination of groundwater that serves as  
 26 a source of drinking water. Projects shall be consistent with an  
 27 adopted integrated regional water management plan. Funds  
 28 appropriated pursuant to this section shall be available to the State  
 29 Department of Public Health for projects necessary to protect  
 30 public health by preventing or reducing the contamination of  
 31 groundwater that serves as a major source of drinking water for a  
 32 community.

33 (b) Projects shall be prioritized based upon the following criteria:

34 (1) The threat posed by groundwater contamination to the  
 35 affected community’s overall drinking water supplies, including  
 36 the need for treatment of alternative supplies if groundwater is not  
 37 available due to contamination.

38 (2) The potential for groundwater contamination to spread and  
 39 reduce drinking water supply and water storage for nearby  
 40 population areas.

1 (3) The potential of the project, if fully implemented, to enhance  
2 local water supply reliability.

3 (4) The potential of the project to increase opportunities for  
4 groundwater recharge and optimization of groundwater supplies.

5 (c) The State Department of Public Health shall give additional  
6 consideration to projects that meet any of the following criteria:

7 (1) The project is implemented pursuant to a comprehensive  
8 basinwide groundwater quality management and remediation plan  
9 or is necessary to develop a comprehensive groundwater plan.

10 (2) Affected groundwater provides a local supply that, if  
11 contaminated and not remediated, will require import of additional  
12 water from outside the region.

13 (3) The project addresses contamination at a site where the  
14 responsible parties have not been identified, or where the  
15 responsible parties are unwilling or unable to pay for cleanup.

16 (d) Of the amount made available by this section, not less than  
17 one hundred million dollars (\$100,000,000) shall be allocated to  
18 projects that benefit disadvantaged communities, including  
19 technical and grant writing assistance.

20 (e) Of the amount made available by this section, up to one  
21 hundred million dollars (\$100,000,000) shall be available for  
22 projects that meet the requirement of this section and both of the  
23 following criteria:

24 (1) The project is part of a basinwide management and  
25 remediation plan for which federal funds have been allocated.

26 (2) The project addresses contamination at a site on the list  
27 maintained by the Department of Toxic Substances Control  
28 pursuant to Section 25356 of the Health and Safety Code or a site  
29 listed on the National Priorities List pursuant to the federal  
30 Comprehensive Environmental Response, Compensation, and  
31 Liability Act of 1980 (42 U.S.C. Sec. 9601 et seq.).

32 (f) The Legislature, by statute, shall establish both of the  
33 following:

34 (1) Requirements for repayment of grant funds in the event of  
35 cost recovery from parties responsible for the groundwater  
36 contamination.

37 (2) Requirements for recipients of grants to make reasonable  
38 efforts to recover costs from parties responsible for groundwater  
39 contamination.

1 79775.5. The sum of ninety million dollars (\$90,000,000) is  
2 available, upon appropriation by the Legislature from the fund, to  
3 the State Department of Public Health for grants and direct  
4 expenditures to finance emergency and urgent actions on behalf  
5 of disadvantaged communities to ensure that safe drinking water  
6 supplies are available to all Californians.

7 79776. The sum of two hundred million dollars (\$200,000,000)  
8 is available, upon appropriation by the Legislature from the fund,  
9 to the State Water Resources Control Board for grants for small  
10 community wastewater treatment projects to protect water quality  
11 that meet all of the following criteria:

12 (a) The project is for the planning, design, permitting,  
13 construction, or improvement of a wastewater treatment facility,  
14 sewer system, or related infrastructure necessary to meet water  
15 quality standards or prevent contamination of surface water or  
16 groundwater resources.

17 (b) The project will serve a community with a population of  
18 20,000 or less.

19 (c) The project meets other standards that may be established  
20 by the State Water Resources Control Board with respect to the  
21 design, construction, financing, and operation of the project.

22 79777. (a) The sum of three hundred million dollars  
23 (\$300,000,000) is available, upon appropriation by the Legislature  
24 from the fund, to the State Water Resources Control Board for  
25 competitive grants and loans for stormwater management and  
26 water quality projects pursuant to this section.

27 (b) Eligible projects shall assist in compliance with total  
28 maximum daily load (TMDL) implementation plans and be  
29 consistent with all applicable waste discharge permits.

30 (c) Eligible projects include facilities and infrastructure to  
31 reduce, manage, and treat stormwater runoff, including, but not  
32 limited to:

- 33 (1) Detention and retention basins.
- 34 (2) Dry weather diversion facilities, trash filters, and screens.
- 35 (3) Treatment wetlands creation and enhancement.
- 36 (4) Stormwater runoff reduction projects, including permeable  
37 surface installation, cisterns, and collection and treatment facilities  
38 for groundwater recharge.
- 39 (5) Other stormwater management infrastructure for low-impact  
40 development.

1 (d) The board shall require not less than a 50 percent local cost  
2 share for grant funds, but may suspend or reduce the matching  
3 requirements for disadvantaged communities.

4 (e) The board shall award grants on a competitive basis,  
5 considering the following criteria:

6 (1) Water quality benefits of the project, including the project's  
7 ability to reduce impairment of the receiving water body.

8 (2) Cost effectiveness.

9 (3) Public health benefits of the project.

10 (f) Eligible recipients shall include local public agencies and  
11 joint powers authorities.

12 79778. The sum of one hundred million dollars (\$100,000,000)  
13 is available, upon appropriation by the Legislature from the fund,  
14 to the California Ocean Protection Trust Fund established pursuant  
15 to Section 35650 of the Public Resources Code, for projects  
16 consistent with Section 35650 of the Public Resources Code.

17  
18 CHAPTER 11. WATER RECYCLING AND ADVANCED TREATMENT  
19 TECHNOLOGIES  
20

21 79779. The sum of five hundred million dollars (\$500,000,000)  
22 is available, upon appropriation by the Legislature from the fund,  
23 for grants and loans for water and advanced treatment technology  
24 projects that include the following:

25 (a) Water recycling projects.

26 (b) Contaminant and salt removal projects, including  
27 groundwater and seawater desalination.

28 (c) Dedicated distribution infrastructure for recycled water,  
29 including commercial and industrial end-user retrofit projects to  
30 allow use of recycled water.

31 (d) Pilot projects for new salt and contaminant removal  
32 technology.

33 (e) Groundwater recharge infrastructure related to recycled  
34 water.

35 (f) Technical assistance and grant writing assistance for  
36 disadvantaged communities.

37 79779.5. For projects funded pursuant to Section 79779, at  
38 least a 50-percent local cost share shall be required, but may be  
39 suspended or reduced for disadvantaged communities. Projects

- 1 shall be selected on a competitive basis, considering all of the
- 2 following criteria:
- 3 (a) Water supply reliability improvement.
- 4 (b) Water quality and ecosystem benefits related to decreased
- 5 reliance on diversions from the Delta or instream flows.
- 6 (c) Public health benefits from improved drinking water quality.
- 7 (d) Cost-effectiveness.
- 8 (e) Energy efficiency and greenhouse gas emission impacts.

9

10 CHAPTER 11.5. STATE OF CALIFORNIA WATER USE EFFICIENCY

11 PROGRAM

12

13 79779.7. The sum of twenty million dollars (\$20,000,000) is

14 available, upon appropriation by the Legislature from the fund,

15 for direct expenditures to state agencies and departments to fund

16 water savings projects that conserve and use water more efficiently,

17 resulting in savings to the taxpayer, reducing energy costs, and

18 using water more wisely at state buildings, facilities, and grounds.

19

20 CHAPTER 12. FISCAL PROVISIONS

21

22 79780. (a) Bonds in the total amount of nine billion eight

23 hundred five million dollars (\$9,805,000,000), not including the

24 amount of any refunding bonds issued in accordance with Section

25 79792, or so much thereof as is necessary, may be issued and sold

26 to provide a fund to be used for carrying out the purposes expressed

27 in this division and to reimburse the General Obligation Bond

28 Expense Revolving Fund pursuant to Section 16724.5 of the

29 Government Code. The bonds, when sold, shall be and constitute

30 valid and binding obligations of the State of California, and the

31 full faith and credit of the State of California is hereby pledged

32 for the punctual payment of both the principal of, and interest on,

33 the bonds as the principal and interest become due and payable.

34 (b) The Treasurer shall sell the bonds authorized by the

35 committee pursuant to this section. The bonds shall be sold upon

36 the terms and conditions specified in a resolution to be adopted

37 by the committee pursuant to Section 16731 of the Government

38 Code.

39 79781. The bonds authorized by this division shall be prepared,

40 executed, issued, sold, paid, and redeemed as provided in the State

1 General Obligation Bond Law, and all of the provisions of that  
2 law apply to the bonds and to this division and are hereby  
3 incorporated in this division as though set forth in full in this  
4 division, except Section 16727 of the Government Code shall not  
5 apply to the extent that it is inconsistent with any other provision  
6 of this division.

7 79782. (a) Solely for the purpose of authorizing the issuance  
8 and sale, pursuant to the State General Obligation Bond Law, of  
9 the bonds authorized by this division, the Safe, Clean, Reliable  
10 Drinking Water Supply Finance Committee is hereby created. For  
11 purposes of this division, the Safe, Clean, Reliable Drinking Water  
12 Supply Finance Committee is “the committee” as that term is used  
13 in the State General Obligation Bond Law.

14 (b) The committee consists of the Director of Finance, the  
15 Treasurer, and the Controller. Notwithstanding any other provision  
16 of law, any member may designate a deputy to act as that member  
17 in his or her place for all purposes, as though the member were  
18 personally present.

19 (c) The Treasurer shall serve as chairperson of the committee.

20 (d) A majority of the members of the committee shall constitute  
21 a quorum of the committee, and may act for the committee.

22 79783. The committee shall determine whether or not it is  
23 necessary or desirable to issue bonds authorized pursuant to this  
24 division to carry out the actions specified in this division and, if  
25 so, the amount of bonds to be issued and sold. Successive issues  
26 of bonds may be authorized and sold to carry out those actions  
27 progressively, and it is not necessary that all of the bonds  
28 authorized to be issued be sold at any one time.

29 79784. “Board,” as defined in Section 16722 of the Government  
30 Code for the purposes of compliance with the State General  
31 Obligation Bond Law, means the department.

32 79785. There shall be collected each year and in the same  
33 manner and at the same time as other state revenue is collected,  
34 in addition to the ordinary revenues of the state, a sum in an amount  
35 required to pay the principal of, and interest on, the bonds each  
36 year, and it is the duty of all officers charged by law with any duty  
37 in regard to the collection of the revenue to do and perform each  
38 and every act which is necessary to collect that additional sum.

39 79786. Notwithstanding Section 13340 of the Government  
40 Code, there is hereby appropriated from the General Fund in the

1 State Treasury, for the purposes of this division, an amount that  
2 will equal the total of the following:

3 (a) The sum annually necessary to pay the principal of, and  
4 interest on, bonds issued and sold pursuant to this division, as the  
5 principal and interest become due and payable.

6 (b) The sum that is necessary to carry out the provisions of  
7 Section 79789, appropriated without regard to fiscal years.

8 79787. The board may request the Pooled Money Investment  
9 Board to make a loan from the Pooled Money Investment Account  
10 in accordance with Section 16312 of the Government Code for the  
11 purpose of carrying out this division. The amount of the request  
12 shall not exceed the amount of the unsold bonds that the committee  
13 has, by resolution, authorized to be sold for the purpose of carrying  
14 out this division. The board shall execute those documents required  
15 by the Pooled Money Investment Board to obtain and repay the  
16 loan. Any amounts loaned shall be deposited in the fund to be  
17 allocated in accordance with this division.

18 79788. Notwithstanding any other provision of this division,  
19 or of the State General Obligation Bond Law, if the Treasurer sells  
20 bonds that include a bond counsel opinion to the effect that the  
21 interest on the bonds is excluded from gross income for federal  
22 tax purposes under designated conditions, the Treasurer may  
23 maintain separate accounts for the bond proceeds invested and for  
24 the investment earnings on those proceeds, and may use or direct  
25 the use of those proceeds or earnings to pay any rebate, penalty,  
26 or other payment required under federal law or take any other  
27 action with respect to the investment and use of those bond  
28 proceeds, as may be required or desirable under federal law in  
29 order to maintain the tax-exempt status of those bonds and to obtain  
30 any other advantage under federal law on behalf of the funds of  
31 this state.

32 79789. For the purposes of carrying out this division, the  
33 Director of Finance may authorize the withdrawal from the General  
34 Fund of an amount or amounts not to exceed the amount of the  
35 unsold bonds that have been authorized by the committee to be  
36 sold for the purpose of carrying out this division. Any amounts  
37 withdrawn shall be deposited in the fund. Any money made  
38 available under this section shall be returned to the General Fund,  
39 with interest at the rate earned by the money in the Pooled Money

1 Investment Account, from proceeds received from the sale of bonds  
2 for the purpose of carrying out this division.

3 79790. All money deposited in the fund that is derived from  
4 premiums and accrued interest on bonds sold pursuant to this  
5 division shall be reserved in the fund and shall be available for  
6 transfer to the General Fund as a credit to expenditures for bond  
7 interest.

8 79791. Pursuant to Chapter 4 (commencing with Section  
9 16720) of Part 3 of Division 4 of Title 2 of the Government Code,  
10 the cost of bond issuance shall be paid out of the bond proceeds.  
11 These costs shall be shared proportionately by each program funded  
12 through this division.

13 79792. The bonds issued and sold pursuant to this division  
14 may be refunded in accordance with Article 6 (commencing with  
15 Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of  
16 the Government Code, which is a part of the State General  
17 Obligation Bond Law. Approval by the electors of the state for the  
18 issuance of the bonds under this division shall include approval  
19 of the issuance of any bonds issued to refund any bonds originally  
20 issued under this division or any previously issued refunding bonds.

21 79793. The proceeds from the sale of bonds authorized by this  
22 division are not “proceeds of taxes” as that term is used in Article  
23 XIII B of the California Constitution, and the disbursement of these  
24 proceeds is not subject to the limitations imposed by that article.

25 SEC. 2. (a) Notwithstanding the requirements of Sections  
26 9040, 9043, 9044, 9061, and 9082 of the Elections Code or any  
27 other provision of law, the Secretary of State shall submit Section  
28 1 of this act to the voters at the November 4, 2008, statewide  
29 general election.

30 (b) Notwithstanding Section 13115 of the Elections Code,  
31 Section 1 of this act and any other measure placed on the ballot  
32 by the Legislature for the November 4, 2008, statewide general  
33 election after the 131-day deadline set forth in Section 9040 of the  
34 Elections Code shall be placed on the ballot, following all other  
35 ballot measures, in the order in which they qualified as determined  
36 by chapter number.

37 (c) The Secretary of State shall include, in the ballot pamphlets  
38 mailed pursuant to Section 9094 of the Elections Code, the  
39 information specified in Section 9084 of the Elections Code  
40 regarding the bond act contained in Section 1 of this act. If that

1 inclusion is not possible, the Secretary of State shall publish a  
2 supplemental ballot pamphlet regarding this act to be mailed with  
3 the ballot pamphlet. If the supplemental ballot pamphlet cannot  
4 be mailed with the ballot pamphlet, the supplemental ballot  
5 pamphlet shall be mailed separately.

6 SEC. 3. (a) (1) Notwithstanding Section 9051 of the Elections  
7 Code or any other provision of law, the Attorney General shall  
8 provide and return to the Secretary of State a ballot title and  
9 summary in 10-point type for all state ballot pamphlets of the  
10 November 4, 2008, statewide general election that contains the  
11 following title and summary for \_\_\_\_ Bill \_\_\_\_, adopted by the  
12 Legislature at the 2007–08 Second Extraordinary Session:

13  
14 “SAFE, CLEAN, RELIABLE DRINKING WATER SUPPLY  
15 ACT OF 2008” and in the same square under those words:

16 “Safeguards supplies of safe, clean drinking water to California  
17 homes, farms, and businesses. Expands conservation, cleans up  
18 polluted wells, expands flood prevention and environmental  
19 protection of water sources supplying the State Water Project.  
20 Authorizes nine billion eight hundred five million dollars  
21 (\$9,805,000,000) in general obligation bonds.”

22  
23 (2) The language in paragraph (1) shall be the only language  
24 included in the title and summary for \_\_\_\_ Bill \_\_\_\_, adopted by  
25 the Legislature at the 2007–08 Second Extraordinary Session, and  
26 the Attorney General shall not supplement, subtract from, or revise  
27 that language.

28 (3) Notwithstanding any other provision of law, including  
29 Sections 9050, 9051, 13247, 13262, and 13281 of the Elections  
30 Code, the language in paragraph (1) for the title and summary shall  
31 also be the language included in the ballot label for the condensed  
32 statement of the ballot title, and the Attorney General shall not  
33 supplement, subtract from, or revise that language, except that the  
34 Attorney General may include the fiscal impact summary prepared  
35 pursuant to Section 9087 of the Elections Code and Section 88003  
36 of the Government Code. The ballot label is the condensed  
37 statement of the ballot title and the financial impact summary.

38 (b) Opposite the square, there shall be left spaces in which the  
39 voters may place a cross in the manner required by law to indicate  
40 whether they vote for or against the act.

1 (c) Where the voting in the election is done by means of voting  
2 machines used pursuant to law in the manner that carries out the  
3 intent of this section, the use of the voting machines and the  
4 expression of the voters' choices by means thereof are in  
5 compliance with this section.

6 SEC. 4. Section 1 of this act shall take effect only upon the  
7 approval by the voters of the Safe, Clean, Reliable Drinking Water  
8 Supply Act of 2008, as set forth in that section.

9 SEC. 5. This act is an urgency statute necessary for the  
10 immediate preservation of the public peace, health, or safety within  
11 the meaning of Article IV of the Constitution and shall go into  
12 immediate effect. The facts constituting the necessity are:

13 In order to finance a critical water supply reliability and water  
14 source protection program as soon as possible, it is necessary that  
15 this act take effect immediately.

O

**Statewide Watershed Conservation and Protection: \$1.335 billion  
(Legislative appropriation)**

- \$1 billion for ecosystem and watershed protection and restoration projects.
- \$85 million to protect delta ecosystem and state water supply from invasive species.
- \$100 million to repair and restore fire-damaged watersheds.
- \$150 million to remove fish-passage barriers, such as obsolete dams, from key rivers and streams.

**Water quality improvements: \$1.05 billion  
[Augments Governor's proposal by \$250 million; now includes \$390 million  
for EJ interests]**

**(Legislative appropriation)**

- \$360 million for projects that prevent or reduce the contamination of groundwater used for drinking water, consistent with an adopted integrated regional water management plan (not less than \$100 million for disadvantaged communities).
- \$90 million for emergency projects to ensure safe drinking water supplies for disadvantaged communities.
- \$200 million for small community wastewater treatment projects.
- \$300 million for stormwater management projects.
- \$100 million for the Ocean Protection Council for projects consistent with the California Ocean Protection Act.

**Water Recycling and Advanced Treatment Technology: \$500 million  
(Legislative appropriation)**

- \$500 million for water recycling and other water treatment facilities, including salt removal, contaminant removal, desalination and groundwater recharge infrastructure.

**State Facility Water Conservation: \$20 million**