

## Recycled Water Funding & Policy Make Huge Advances in 2014

### WORKING TOGETHER +

WaterReuse California (WRCA), working in partnership with its member agencies, had one of the most successful legislative years in its history. Facing almost an unprecedented drought, climate change and continued growth, Legislators and Governor Brown committed to heavily invest in recycled water and made a number of policy changes that will increase the use of recycled water across the state.

### State's Recycling Program Moves to the State Board

Following up on last year's AB 145 (Perea), the Legislature passed the Governor's reorganization plan to combine the state's clean water and drinking water programs under the State Water Resources Control Board (SWRCB). The final bill, which was passed as a trailer bill with the budget, included a number of important statutory protections as the state's drinking water program shifts from the California Department of Public Health to SWRCB. WRCA expects that this reorganization will help ensure that the recycled water regulatory programs receive priority attention from SWRCB board members and staff. WRCA will be participating on the SWRCB stakeholder transition team.

### Mutual Water Companies and Recycled Water

AB 2443 (Rendon) Allows a public agency to provide recycled water in the territory of a mutual water company, without compensation, if the public agency is complying with the Water Recycling Act of 1991 and the mutual water company is not providing recycled water service or developing plans to provide recycled water service by December 31, 2014. WRCA worked closely with the author to craft amendments in the Senate that allowed us to remain neutral on the measure.

### Prop 1 - The Water Bond

After four years of political wrangling, the Legislature renegotiated the 2010 water bond, which will be on the November ballot as Proposition 1. WRCA advocated for and was successful in establishing a separate funding chapter within the bond for recycled water grants and loans. WRCA also pushed criteria for funding that recognizes the need for a fair geographical distribution of funds and successfully wrote the language that appeared in various bond proposals to insure the SWRCB administers the funding programs. **Through a massive advocacy effort by WRCA and its members, final bond language included \$725 million in funding for recycled water and desalination projects, over seven times as much funding that was in Proposition 13 of 2000; and more funding than has ever been included in a bond measure placed before the voters.** Additionally, \$810 million is included in Proposition 1 for the Integrated Regional Water Management program, which can fund a variety of regional programs including nonpotable and potable recycled water projects. WRCA Board of Directors took a support position on Proposition 1 in September and if the bond passes, will be working next year with the Legislature and the Administration on implementation issues for the recycled water chapter.

### Increasing Recycled Water in Agriculture

WRCA supported, and the Governor signed into law, AB 2071 (Levine), which requires the SWRCB to determine whether it is safe for public and animal health to use disinfected tertiary treated recycled water for the purpose of providing water to pasture animals, excluding certain dairy animals, and to establish uniform statewide recycling criteria for this use to mitigate any safety concerns.

### Expanding Recycled Water Infrastructure

The Governor signed into law AB 2282 (Gatto), which directs the California Building Standards Commission to adopt mandatory building standards for the installation of recycled water systems in newly constructed commercial and public buildings and single- and multi-family dwellings, in areas where there is feasible and cost effective access to a water recycling facility. WRCA supported the bill and ensured that it included language on cost-effectiveness.

### Adoption of Groundwater Recharge Regulations

SB 104 (Budget bill), enacted in March 2014, required DPH to adopt the groundwater recharge regulations under emergency rule by June 30, 2014. WRCA had been advocating for the adoption of these regulations for years. But unlike the usual regulation-making process, the emergency process did not require public input, a statement of reasons or an economic analysis. Nonetheless, WaterReuse California and its members sought, and were provided an opportunity to meet with DPH staff to and discuss and have positive input into the regulations that were adopted in June.



## \$800 Million in Low Interest Recycled Water Loans

As a result of the Governor's emergency drought declaration, in March the State Water Resources Control Board (SWRCB) approved \$800 million in low interest loans for recycled water projects statewide, which is intended to produce an additional 150,000 acre-feet of recycled water annually. The State Water Board's Division of Financial Assistance is offering \$800 million in 1 percent loans – approximately half the current interest rate – for water recycling projects that can be completed within three years of the Governor's January 17, 2014 drought declaration. Applications for funding must be submitted by Dec. 2, 2015.

## Creating New Water Conservation/Recycling Loan Opportunities

WRCA supported and the Governor signed into law AB 2636 (Gatto), which creates the CalConserve Water Use Efficiency Revolving Fund in order to provide low-interest loans and grants to local agencies for urban and agricultural water use efficiency projects. One of the purposes of the loan funds will be to increase the use of recycled water in the state. While the bill includes some seed monies, additional funding will need to be identified to fully realize the author's vision of creating a sustainable funding source for water conservation.

## Adoption of General Order for Recycled Water Use

In response to the Governor's drought declaration, the SWRCB adopted a General Order on June 3, 2014 to streamline permitting for recycled water. Coverage under this General Order is limited to treated municipal wastewater for non-potable uses. The General Order establishes standard conditions for the use of recycled water, relieving producers, distributors and users of recycled water from the sometimes lengthy permit approval process and providing them with certainty around the requirements that they will be expected to meet. WRCA worked extensively with the SWRCB on the language of the permit, including a provision that allowed agencies to seek coverage under existing regional recycled water permits. WRCA will be working with SWRCB to see that the provisions of the General Order can be changed from WDRs to WRRs.



## WRCA Legislative/Regulatory Committee

WRCA Legislative/Regulatory Committee reviews, analyzes and recommends positions to the California Section on state legislation that affects the goals and objectives of the Section and its membership. It also directs the section's legislative advocate and leads all California Section activity in the state regulatory arena. For more information about WRCA Legislative/Regulatory Committee activities, please contact Jennifer West, Managing Director of WateReuse California at [jwest@watereuse.org](mailto:jwest@watereuse.org).

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Millennium Biltmore Hotel  
Los Angeles, CA  
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