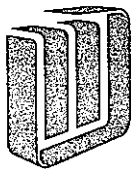


JUN -9 1992



MWD

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Dennis E. Duff
EXECUTIVE SECRETARY

8-9

May 26, 1992

(Executive Committee--Action)

To: Board of Directors (Special Committee on Legislation--Action)

From: General Manager and General Counsel

Subject: Senate Bill 2071 (Ayala--San Bernardino County)

Report

This bill would provide that notwithstanding any other provision of law, no water standby charge or water availability charge may be imposed on an improved parcel of land, and that this provision does not constitute a change in, but is declaratory of, existing law. The bill also contains an urgency clause, which means that the bill would become effective upon enactment.

If enacted, this bill would reduce by approximately 75 percent the proceeds of the District's standby charge based upon estimates that only 25 percent of the parcels and acreage within the District are undeveloped. Further, it would impact dozens of other water agencies and agencies of other types which are presently levying a standby charges including, among others, the San Diego County Water Authority, Central Basin Municipal Water District and West Basin Municipal Water District. In the case of the latter two, the impact would be significantly greater than a 75 percent loss.

It has been contended that the legislative intent in the enactment of MWD Act Section 134.5 was that any standby charge would be levied only on unimproved land. Staff has reviewed the legislative history of this section and finds no basis for such a conclusion.

Staff recommends that the Board oppose SB 2071. A copy of the bill is attached.

Board Committee Assignments

This letter is referred for action to:

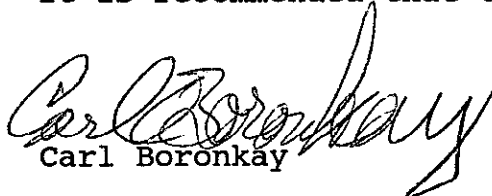
The Executive Committee because of its responsibility for legislation affecting the District, pursuant to Administrative Code Section 2417, subdivision (a); and

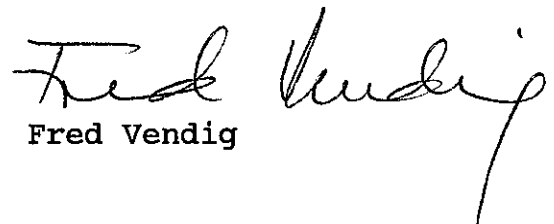
The Special Committee on Legislation because of its responsibility to review staff recommendations for a position on legislation that may affect the District, pursuant to Administrative Code Section 2581, subdivision (b).

Recommendation

EXECUTIVE COMMITTEE AND SPECIAL COMMITTEE ON LEGISLATION FOR ACTION.

It is recommended that the Board oppose SB 2071.


Carl Boronkay


Fred Vendig

JWM:gm
bdltr\SB2071.JWM

Attachment

SENATE BILL

No. 2071

Introduced by Senator Ayala

May 21, 1992

An act to add Chapter 3.8 (commencing with Section 389.5) to Division 1 of the Water Code, relating to water, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 2071, as introduced, Ayala. Water standby or availability charges.

Existing law authorizes various public entities to impose water standby or availability charges.

This bill would prohibit the imposition of a water standby or availability charge on an improved parcel of land.

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

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

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

1 SECTION 1. Chapter 3.8 (commencing with Section
2 389.5) is added to Division 1 of the Water Code, to read:

3
4 CHAPTER 3.8. WATER STANDBY AND AVAILABILITY
5 CHARGES.

6
7 389.5 (a) Notwithstanding any other provision of
8 law, no water standby charge or water availability charge
9 may be imposed on an improved parcel of land.

10 (b) Subdivision (a) does not constitute a change in
11 but is declaratory of existing law.

12 SEC. 2. This act is an urgency statute necessary for
13 the immediate preservation of the public peace, health,

1 or safety within the meaning of Article IV of the
2 Constitution and shall go into immediate effect. The facts
3 constituting the necessity are:
4 In order to clarify, as soon as possible, the application
5 of water standby and availability charges authorized to be
6 imposed under existing law, it is necessary that this act
7 take effect immediately.