

- Legislative Report

## Summary

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September 2007 update on federal and state legislation.

## Attachments

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None

## Detailed Report

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### Federal Legislative Update (as of 9/25/07)

#### Climate Management Legislation

S. 1807 (Hutchinson): A bill to establish the Weather Mitigation Advisory and Research Board. Introduced on July 17 and referred to the Senate Committee on Commerce, Science and Transportation. Hearings have yet to be scheduled. Under staff review. Companion bill to H.R. 3445 (Udall).

H.R. 3445 (Udall): Weather Mitigation Research and Technology Transfer Act of 2007. This legislation would establish the Weather Mitigation Operations and Research Board to increase and enhance research and development in weather mitigation in order to better understand its effectiveness in addressing drought in the United States. If enacted, the legislation could lead to research grants to develop potential regional drought management and prevention tools. Introduced on August 3 and referred to the House Committee on Science and Technology. No hearings have yet been scheduled. Currently under staff review. Companion bill to S. 1807 (Hutchinson).

#### Energy Legislation

Both the House and Senate Energy bills are major rewrites of the Energy Policy Act of 2005. H.R. 6 passed the House on January 18, 2007 and passed the Senate on June 21, 2007. However, H.R. 6 is the only vehicle for the other major energy initiatives, including sections to be added from Transportation and Infrastructure, House Resources, tax measures from Ways and Means and Senate Finance Committee and an Agricultural/bio fuel section. Other major portions of the bill are still waiting completion, including the renewable energy portfolio standard, climate change provisions regarding the production and royalty for oil and gas drilling, habitat standards and other issues regarding utilities and transmission lines. Included in H.R. 6 is a provision that all residential clothes washers manufactured in 2011 or later would be required to meet new energy efficiency and water conservation standards of an energy factor of 1.26. The House Rules Committee did not pass a rule for the Tax Package portion of the Energy bill (H.R. 2776), the Renewal Energy and Energy Conservation Act. The Tax portion of the Energy Package that is under consideration has strong opposition from the White House and GOP House Members. *(No further activity since last report).*

#### Habitat Conservation Legislation

S. 300 (Kyl): A bill to authorize the terms for the Lower Colorado River Multi-Species Conservation Plan and the use of water for environmental purposes under the plan. Referred to the Senate Energy and Natural Resources Subcommittee on Water and Power. Metropolitan is in support and working with Senator Kyle's office. A legislative hearing was held on July 24, with an expectation of a mark-up in the fall. *(No further activity since last report).*

H.R. 2515 (Heller): A House bill to authorize the terms of the Lower Colorado River Multiple Species Habitat Conservation Plan and the use of water for environmental purposes under the plan. Metropolitan in support and working with Congressman Heller's staff as the bill moves forward. Referred to House Resources Subcommittee on Water and Power with a legislative hearing held on July 22. Mark-up expected this fall. *(No further activity since last report).*

Date of Report: September 25, 2007

## Board Report (Legislative Report)

S. 1870 (Feingold). Clean Water Restoration of 2007. A bill to amend the Federal Water Pollution Control Act to clarify the jurisdiction of the United States over waters of the United States. Introduced on July 25 and referred to the Senate Committee on Environment and Public Works. No hearings have yet to be scheduled. Currently under staff review. *(No further activity since last report)*.

H.R. 2421 (Oberstar): Clean Water Restoration Act of 2007. A bill to amend the Federal Water Pollution Control Act to clarify the jurisdiction of the United States over waters of the United States. Hearings held by both the House Transportation and Infrastructure Committee, and its Subcommittee on Water and Power. Further action possible after the summer recess, as Congress is expected to focus on several environmental issues to coincide with the 35th anniversary of the passage of the Clean Water Act. Legislation is currently under staff review. Companion bill of S. 1870 (Feingold). *(No further activity since last report)*.

### **Local Water Project Legislation**

H.R. 30 (Issa): A bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the Eastern Municipal Water District Recycled Water System Pressurization and Expansion Project. Metropolitan is in support of the bill. Passed in the House on May 7. Legislative Hearing held by the Senate Energy and Natural Resources Subcommittee on Water and Power on August 1. *(No further activity since last report)*.

H.R. 122 (Dreier): A bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the Inland Empire regional recycling project and in the Cucamonga Valley Water District recycling project. Metropolitan is in support of the bill. Passed the House on March 5. Legislative Hearing held by the Senate Energy and Natural Resources Subcommittee on Water and Power on August 1. *(No further activity since last report)*.

H.R. 1175 (Sanchez): A bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to increase the ceiling on the Federal share of the costs of phase I of the Orange County, California, Regional Water Reclamation Project. Metropolitan is in support of the bill. Passed in the House on June 5. Legislative Hearing held by the Senate Energy and Natural Resources Subcommittee on Water and Power on August 1. *(No further activity since last report)*.

### **Tax Credit Bond Legislation**

H.R. 3452 (Becerra): Introduced just prior to the August recess, this legislation would amend the Internal Revenue Code of 1986 to allow a credit with respect to clean renewable water supply bonds. The bill could potentially allow for local and regional water supply enhancements, improved capital, and reverse streams to Member Agency project funding. Metropolitan is in support of this legislation. Referred to the House Committee on Ways and Means, with hearings yet to be scheduled. *(No further activity since last report)*.

### **Water Resources Legislation**

H.R. 1495 (Oberstar): Water Resources Development Act. A bill to provide for the conservation and development of water and related resources, to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States. Metropolitan is in support of the bill. By a vote of 81-12, the Senate completed the legislation and will now send it to President Bush. The Administration has indicated it may veto the WRDA bill. The House easily passed the measure by a vote of 381-40 in August. The Senators said it is likely that each house will have the two-thirds vote necessary to override a Presidential veto.

### **Water Quality Legislation**

S. 24 (Boxer): A bill to amend the Safe Drinking Water Act to require a health advisory and monitoring of drinking water for perchlorate. Referred to the Senate Committee on Environment and Public Works. Hearing expected this fall. Metropolitan is in support and working with Senator Boxer's staff as the legislation evolves in both Houses of Congress. *(No further activity since last report)*.

## Board Report (Legislative Report)

S. 150 (Boxer): A bill to amend the Safe Drinking Water Act to protect the health of pregnant women, fetuses, infants, and children by requiring a health advisory and drinking water standard for perchlorate. Referred to the Senate Committee on Environment and Public Works. Hearing expected this fall. Metropolitan is in support and working with Senator Boxer's staff as the legislation evolves in both Houses of Congress. *(No further activity since last report).*

H.R. 1747 (Solis): A bill to amend the Safe Drinking Water Act to require a national primary drinking water regulation for perchlorate. A hearing was held on April 25 by the House Energy and Commerce Subcommittee on Environment and Hazardous Materials. Metropolitan is in support and working with Congresswoman Solis' staff as legislation moves forward. *(No further activity since last report).*

Moab Tailings Clean-Up: State and Federal officials met through the Summer Recess with the U.S. Department of Energy to bring greater certainty to and accelerate the Department's plan of action for removing the toxic materials safely away from their current proximity to the Colorado River in Moab, Utah. Much of this is being accomplished through the current House and Senate debates over the 2008 Defense Authorization Bill and over the 2008 Appropriations Bills now moving toward their final form in both Houses.

### **Appropriations**

There does not seem to be agreement or consensus between the House and Senate leadership as to how to complete the appropriations work. It is understood that the House is leaning toward an Omnibus approach while the Senate would like to try to pass the individual bills (but hasn't to date).

Passage of a Continuing Resolution could take some of the pressure off resulting in an even slower pace of considering the remaining appropriations bills. There is some talk that the Senate could take up the Defense Appropriations bill before the end of September. However, that is dependent on the Senate taking up and passing the Defense Authorization bill, which is always contentious.

The remaining domestic appropriations bills are not expected to be considered until later in October if at all. If the decision is to not take up the rest of the domestic appropriations bill, the House and Senate leadership will then have to decide on a strategy to pass an Omnibus Appropriations Bill.

### **Key Legislative Dates**

October 8 – 12:	Columbus Day Holiday Recess
November 16:	Target Adjournment <i>(if legislative business has been completed, if not, recess for two weeks for Thanksgiving Holiday)</i>
December 3:	Return to Session to Complete Legislative Business for the 1 <sup>st</sup> Session

## **State Legislative Update (as of 9/25/07)**

### **Legislation**

AB 1420 (Laird): Water Demand Measurement Measures: Grants and Loans. This measure directs DWR to establish eligibility threshold for state grants and loans based upon urban water supplier's implementation of 14 demand management measures specified in existing law. Metropolitan is a co-sponsor of the measure, with the Natural Resources Defense Council, and is requesting the measure be signed into law. The bill is awaiting Governor Schwarzenegger's signature.

AB 1481 (De La Torre) : Waste Discharge: Recycled Water. Requires State Water Resources Control Board to adopt general permit for projects serving recycled water for landscape irrigation, consistent with uniform statewide recycling criteria developed by Department of Health Services. Metropolitan is a co-sponsor of the measure, with the City of Los Angeles, and is requesting the measure be signed into law. The bill is awaiting Governor Schwarzenegger's Schwarzenegger's signature.

## Board Report (Legislative Report)

AB 1683 (Wolk) – Quagga Mussels. Authorizes the Department of Fish and Game (DFG) to conduct inspections, order quarantines and take other necessary actions to prevent the spread of invasive quagga and zebra mussels. Metropolitan worked interactively with DFG to incorporate an exclusionary caveat, which requires a water system operator, upon detection of mussels, to prepare and implement a plan in cooperation with DFG. However, Metropolitan is concerned about the August 31 amendments, which authorizes DFG to close the water system if the plan was not updated or revised to DFG’s satisfaction. Metropolitan has requested clarification in a signing letter that allows continued operation of water supply systems provided a control or eradication plan is in place, or a veto if clarification cannot be provided. The bill is awaiting Governor Schwarzenegger’s signature.

SB 1002 (Perata) -- Water Bond Funding. Appropriates more than \$610 million to DWR for various water-related projects from Propositions 1E and 84. Includes \$50 million in funding for essential Delta emergency preparedness supplies and projects, \$50.4 million to prevent or reduce groundwater contamination, \$40 million for IRWMP planning and assistance grants, \$50 million for relocation of Delta water intake facilities, and authorizes SWRCB to develop nitrate contamination pilot projects in Tulare Lake Basin and Salinas Valley. Metropolitan is in support of this measure, and is requesting that SB 1002 be signed into law. However, the Governor has actively stated that he will not consider SB 1002 until a comprehensive package is formulated. The bill is awaiting Governor Schwarzenegger’s signature

### **Special session**

Sept. 11: Governor Arnold Schwarzenegger called a special session of the Legislature to address healthcare reform and a comprehensive water package. The Governor, Senate President Pro Tem Don Perata (D-Alameda) and Senator Dave Cogdill (R-Modesto) have been working on bond proposals for the February 5, 2008, presidential primary ballot. The Secretary of State has determined that October 16 is the "drop dead" date for placing measures on the February 2008 ballot. The Assembly has appointed legislative members to participate in “workgroups” to discuss the content and direction of any legislative product that will result from the special session.

The Assembly Speaker, Fabian Nunez, has appointed:

John Laird (D-Santa Cruz), Lois Wolk (D-Davis), Juan Arambula (D-Fresno), Mary Salas (D-Chula Vista), Jared Huffman (D-San Rafael), Paul Krekorian (D-Burbank), Mike Feuer (D-Los Angeles), and Mike Eng (D-Monterey Park)

The Assembly Republican Leader, Mike Villines, has appointed:

Greg Aghazarian (R-Stockton), Joel Anderson (R-El Cajon), Tom Berryhill (R-Modesto), Jean Fuller (R-Bakersfield), Ted Gaines (R-Roseville), Guy Houston (R-San Ramon), Bob Huff (R-Diamond Bar), Kevin Jeffries (R-Lake Elsinore), Rick Keene (R- Chico), Doug LaMalfa (R-Richvale) Bill Maze (R-Visalia), Roger Niello (R- Fair Oaks) and Todd Spitzer (R-Orange), Jim Silva (R-Huntington Beach)

To date, only one legislative measure has been introduced for the special session on water, which is SBX2 1. This measure is nearly identical to SB 1002, and will most likely be used as a basic starting point for discussion and contemplation for the final work product that will result from the special session.

### **Key Legislative Dates:**

October 14: Last day for the Governor to sign or veto bills

### **2008**

January 1: Statutes take effect

January 7: Legislature reconvenes