



Express support, if amended, for AB 1755
(Dodd, D-Woodland) and express
opposition, unless amended, for AB 2304
(Levine, D-Petaluma)

Communications and Legislation Committee

Item 8-5

April 11, 2016

Background

- California's drought and Australia's developing water market have generated significant interest in Legislature
- On March 25, ACWA's Board adopted a white paper on water marketing
- Metropolitan's goal: ensure legislation facilitates, not impedes, water transfers

AB 1755 (Dodd)

As Amended 3/1/16

- Requires DWR to establish public benefit corporation to:
 - Create and manage statewide water information database; and
 - Establish online water transfer information clearinghouse that includes database of historic and pending water transfers

AB 1755 (Dodd)

As Amended 3/1/16

- Seek amendments to ensure clearinghouse:
 - Includes only information on completed transfers;
 - Results in better understanding of water transfer approval process; and
 - Has no role in facilitating or approving proposed water transfers.

AB 1755 (Dodd)

As Amended 4/5/16

- Most recent amendment resolved Metropolitan's staff concerns
- Status: Assembly Water, Parks and Wildlife Committee on April 12

AB 1755 Support

- Partial list:
 - Bay Area Council (sponsor)
 - Los Angeles Area Chamber of Commerce
 - California Water Foundation
 - Upper San Gabriel Valley MWD
 - Sonoma County Water Agency
 - American Rivers
 - California Trout

AB 1755 Opposition

- Opposition:
 - None known at this time

AB 2304 (Levine)

As Introduced

- Creates CA Water Market Exchange within CA Natural Resources Agency:
 - Managed by five-member board
 - Creates web-based “centralized water market platform”
 - Requires submission of transfer/exchange details (e.g. price, quantity and potential third-party impacts) before transaction occurs

AB 2304 (Levine)

As Introduced

- Market Exchange powers (cont'd):
 - Develops standards and procedures to protect and enhance environmental and community benefits
 - Requires parties that submit required information to pay administrative fees to cover Exchange costs

AB 2304 (Levine)

As Introduced

- Seek amendments to eliminate:
 - CA Water Market Exchange that would increase administrative approvals for water transfers
 - New fees on water transfer transactions
- Status: Assembly Water, Parks and Wildlife Committee on April 12

AB 2304 Support/Opposition

- Support:
 - Environmental Defense Fund (sponsor)
- Opposition:
 - No registered opposition

Board Options

- Option 1

- Adopt CEQA determination
- Support AB 1755, as amended 4/5/16
- Oppose AB 2304, unless amended

- Option 2

- Take no position on AB 1755 and AB 2304

Staff Recommendation

- Option 1

