



2023 – 2024

LEGISLATIVE & POLICY PLATFORM





INTRODUCTION

The 2023-2024 Legislative & Policy Platform (Platform) provides a summary of core policy principles to help guide the legislative, regulatory, and administrative advocacy efforts for the Coachella Valley Water District (CVWD) at the local, regional, state, and national levels of government. The Platform has been developed for the new biennial session of the California Senate and Assembly and the 118th Congress, and to be consistent with CVWD’s mission statement to “meet the water-related needs of the people through dedicated employees, providing high quality water at a reasonable cost.” While the bimonthly meetings of CVWD’s Board of Directors provide opportunities to receive direction from the Board on policy issues and introduced legislation, once adopted by the CVWD Board of Directors, the Platform will provide guidance for the General Manager, his designees, and lobbyists so timely action may be taken consistent with the principles outlined below.

This document was developed by the Regional and Government Affairs team in conjunction with CVWD’s Board of Directors as well as department directors. While this document strives to cover the District’s anticipated needs and its positions for the legislative term, there may be issues that arise that are not addressed in this Policy Platform, or on which the Board may change its position. It is anticipated that Government Affairs staff’s regular interaction with the Board’s Legislative Committee, which was formed to monitor legislative developments and confer regularly with the Government Affairs team and contracted lobbyists, and the full Board of Directors will provide the iterative process necessary to ensure that advocacy needs of CVWD are met.

BILL POSITIONS CONSIDERED BY CVWD BOARD OF DIRECTORS

The following represent active bill positions CVWD staff may adopt or recommend for consideration by the CVWD Board of Directors for adoption. CVWD staff may adopt a position without a Board of Directors vote if the bill language clearly falls within one of the principles laid out in the latter sections of Policy Platform. Advocacy strategies and activities will be directed toward implementation of the Board's policies through advancement of CVWD's adopted bill position.

- **SUPPORT:** This position reflects CVWD's unconditional interests to see the legislation become law. CVWD staff and legislative advocates will work for passage of the bill in its present form.
- **SUPPORT AND SEEK AMENDMENTS:** This position reflects the similar level of unconditional support for a bill as the SUPPORT position. However, this position implies that CVWD would prefer specific amendments to be considered that would improve the measure. CVWD staff and legislative advocates will communicate and advocate in support of the legislation even if amendments extended by CVWD are not included in the measure.
- **SUPPORT IF AMENDED:** This is an affirmative position that suggests conditional support for a measure, but only if it is amended to incorporate specific amendments approved by the CVWD Board. CVWD staff and legislative advocates will not advocate in support of the legislation unless it is amended as requested by CVWD.
- **WATCH:** This position reflects a position on a bill that would not directly affect CVWD at that time. Staff carefully monitors "Watch" bills for further developments and future amendments.
- **OPPOSE UNLESS AMENDED:** This is a position that suggests conditional opposition to a measure, unless it is amended to incorporate specific amendments approved by the CVWD Board. CVWD staff and legislative advocates will actively work to defeat the legislation until and unless it is amended as requested by CVWD. If legislation is amended as requested by CVWD, the CVWD staff and legislative advocates will stop working to defeat the legislation, but will not advocate in support of the measure unless further directed by the CVWD Board.
- **OPPOSE:** This position reflects CVWD's unconditional interests to defeat the legislation. CVWD staff and legislative advocates will work for defeat of the measure in its present form, and will not pursue amendments to address the measure's shortcomings.

All other bills that are of potential interest or concern to CVWD are monitored by staff and legislative advocates. If any of those measures are amended, they are reevaluated to determine if a formal position should be recommended for Board or Legislative Committee consideration.



POLICY DIRECTIVES

1. Maintain local control of water resources and resist additional burdens that may hinder District operations and affordability.

The essential principles guiding the District shall be to maintain local control of the water resources that have been managed in the Coachella Valley for more than 100 years. Efforts made in Sacramento or Washington, DC to reduce the amount of local

control or autonomy of the District and its local groundwater management partners should be strongly opposed.

The District will aim to make additional regulatory burdens as manageable as possible. The District will work with other water districts and water associations to advocate regulators through a coalition approach where appropriate to emphasize state or region-wide burdens that would affect operations.

2. Protect the District’s ability to efficiently operate day-to-day business functions.

Other measures that may impede the District’s ability to maintain day-to-day business operations, which could include myriad categories such as employment matters, building codes, and public agency contracting to name a few, will also be closely monitored and generally opposed.

3. Protect Coachella Valley Water District’s local and imported water supplies.

CVWD’s protection of diverse supplies of local water (groundwater and local surface runoff) and imported waters (Colorado River Water and State Project Water) is critical to meet the agricultural, domestic, irrigation, and other customer demands in a sustainable manner. Advocacy efforts should focus on the sustainability of the groundwater aquifer, and the preservation of the reliable delivery of imported surface water to the Coachella Valley. CVWD must ensure that the allocations and contracted volumes of imported waters are protected, in both amount and quality, and maintain the reliability of the infrastructure for conveyance.

CVWD’s policy is to support actions that preserve or increase the volume of water available for use by CVWD and its customers, to ensure water delivery infrastructure reliability, and to preserve CVWD’s ability to achieve sustainable groundwater management in the most economical means. Any actions that may have a contrary effect should be monitored and generally opposed.



4. Strengthen conservation and sustainability of the Colorado River while respecting the Law of the River.

a. Support investments in voluntary conservation

CVWD recognizes the importance of conservation in preserving the integrity and sustainability of the Colorado River system. CVWD supports continued and increased funding and stronger incentives for voluntary conservation measures that provide benefits in the short term, and investments in conservation projects that save water

and increase the Colorado River Basin’s resilience over the long term.

The Coachella Valley is a unique area of productivity and water use. CVWD invested heavily in its irrigation delivery system to minimize system losses through the use of pipes and also metering properties served; this results in approximately 5% system loss. Over 60% of CVWD’s agricultural areas use drip irrigation. CVWD continues to maximize use of recycled water as an alternative water source.

b. Support investments to improve Colorado River water quality

CVWD supports short term and long-term salinity mitigation measures on the Colorado River. Increased and expedited Federal funding and implementation of cooperative measures to reduce salinity through the Colorado River Basin Salinity Control System will benefit the Basin as a system.

c. Support development of post-2026 guidelines, drought contingency plans, and agreements that are fair, sustainable, and respect the Law of the River.

The 2007 Interim Guidelines for Shortages and Coordinated Operations for Lake Powell and Lake Mead and the 2019 Drought Contingency Plan expire in 2026. CVWD will work with the Colorado River Board of California and its California water agencies to engage with the Upper and Lower Basin states and the Federal government on the development of post-2026 guidelines, including all related agreements, management plans, and environmental reviews for the Colorado River. CVWD supports cooperation among all parties to increase conservation during droughts and invest in long term conservation to strengthen the basins’ resilience and sustainability, recognizing CVWD’s existing contributions to Colorado River conservation and respecting the bedrock Law of the River.

5. Support and potentially sponsor efforts to amend state compliance periods for new water quality standards, including the monitoring of new regulations for various contaminants.

When a new maximum contaminant level (MCL) for a drinking water contaminant is adopted by the California State Water Resources Control Board (SWRCB), water agencies are generally mandated to start compliance monitoring within six months of the MCL effective date or beginning in January of the calendar year following the MCL effective date, depending on the nature of the contaminant. The current regulations often do not provide water agencies impacted by a new unavoidable MCL sufficient time to comply with the regulatory level, thereby placing agencies in a position of noncompliance and triggering a series of consequences to that agency. The SWRCB Hexavalent Chromium Administrative Draft released March 2022 proposed a two-year compliance period for large systems, three-years for medium systems and four-years for smaller systems. This approach fails to address and recognize other factors such as environmental, financial, logistical and regulatory constraints when implementing a compliance project regardless of system size.

It would be beneficial to California water agencies if the State Legislature or SWRCB adopted a fair and reasonable compliance period similar to that of the U.S. Environmental Protection Agency, which provides up to five years for compliance with a new MCL.

The Association of California Water Agencies (ACWA) continues to support and work toward legislation to achieve this goal. CVWD staff have worked extensively on this issue with the ACWA Water Quality Committee. In 2020, CVWD's Board of Directors voted to join the Community Water Systems Alliance, which may also undertake advocacy activities on this issue.

Staff will continue to monitor and provide comments on new drinking water regulations including those anticipated for Hexavalent Chromium, PFAS, arsenic, and manganese, among others.



6. Support and potentially work to sponsor federal legislation to remove the taxation requirement for conservation rebates issued by water districts in the state.



Presently, under federal law, the Internal Revenue Service (IRS) does not classify energy efficiency rebates as taxable income. However, the IRS does not classify water conservation rebates in the same manner, and the IRS therefore requires that rebates issued by CVWD and other water agencies to customers for removal of turf, replacement of high-volume toilets, or other rebate programs be classified as income and subject to income reporting and taxes. The process of completing tax forms and explaining the process to customers is lengthy and provides a disincentive to their participation in rebate programs. CVWD will monitor legislative developments and work with partner agencies to support legislation that would amend the tax code to exempt water conservation rebates from customers' taxable income.

7. Continue to engage with the State Water Resources Control Board to influence the ways in which “Making Conservation a California Way of Life” policies are implemented.

In 2018, SB606 (Hertzberg) and AB1668 (Friedman) were signed into law by Governor Brown. The two laws require a step-down approach to water use throughout the state and across sectors, including both residential and commercial outdoor and indoor uses. The legislation included specific target dates for reducing water use. In 2022, SB 1157 (Hertzberg) was signed into law by Governor Newsom, further reducing indoor residential water use standards initially proposed in SB 1668. However, the SWRCB retains the flexibility to implement the laws. CVWD will continue to fully engage with the rulemaking process initiated by the SWRCB to ensure that local tiered water rates used by CVWD remain the best and most effective way to influence water use reduction by customers. CVWD will also remain focused on how the SWRCB moves to further regulate urban water use efficiency.

Water Board staff approached CVWD in 2020 to include the District in various studies regarding seasonal populations and indoor water use. CVWD will continue to engage in the informal sphere with the Water Board as requests from Water Board or DWR staff arise, and in the formal rulemaking process.

8. Continue to advocate to ensure Coachella Valley disadvantaged and underserved communities are considered for funding in local, regional, state and federal agencies. Like many communities, the Coachella Valley and CVWD’s service area faces challenges of income inequality with areas of disadvantaged and underserved communities. CVWD will continue to advocate for funding at various levels of government for these areas.

CVWD has actively engaged in the stakeholder processes managed by the Water Board as it launched the Safe and Affordable Funding for Equity and Resilience (SAFER) Program, which implements not only SB200 (2019), but also consolidates other safe and affordable drinking water programs at the Water Board under one umbrella program. CVWD will continue to engage with Water Board staff as program parameters are refined. CVWD will continue to offer its experience and technical expertise as program implementation progresses.

Due to legal restrictions stemming from financial equity issues (specifically Proposition 218), CVWD is unable to use current ratepayer revenues to pay for infrastructure to connect non-customers, including those in disadvantaged and underserved communities. CVWD has supported the development of grant programs and efforts to obtain grant funding with both the State and Federal governments, which allows progress to be made in the areas of strategic planning, funding procurement, infrastructure improvement, needs assessment, and reporting.

CVWD and the Disadvantaged Communities Infrastructure Task Force developed the Eastern Coachella Valley Water and Wastewater Supply Master Plans, which identified, mapped, and prioritized approximately 100 small, private systems that are eligible to consolidate with CVWD’s domestic water and wastewater systems. Many of the small water systems have elevated levels of arsenic, nitrates, and fluoride. Consolidation provides reliable and safe drinking water and sewer services.



Working closely with our legislative delegations and state and federal agencies, CVWD has recently secured state and federal funding for water main projects and consolidation of several communities in the Eastern Coachella Valley and will continue to pursue opportunities for additional connections. In coordination with the DAC Task Force, CVWD will continue to advocate to accelerate progress for these communities through legislative efforts at the local, regional, and state levels. CVWD will also support the efforts of the DAC Task Force to obtain and accelerate federal funding.

9. Continue to oppose a water “tax” or “fee” and monitor ways in which the state and/or federal governments will address water affordability through programs like LIHWAP or legislative actions.

CVWD supports water affordability programs; however, CVWD opposes a water tax and administratively burdensome schemes to implement those programs.

California administers the new federal Low Income Household Water Assistance Program (LIHWAP) to assist low-income families with water and wastewater bills.

The State legislature has been targeting water affordability in the wake of the COVID-19 Pandemic. In 2022, SB 222 (Dodd) would have created a Low-Income Water Rate Assistance Fund. Governor Newsom vetoed this bill as a result of the current financial and economic outlook. Although good in concept, SB 222 would have created more administrative burdens for CVWD without having identified a recurring funding source for the program.

CVWD generally supports programs that supplement its existing customer assistance program to assist low-income customers who would leverage existing program processes, such as LIHWAP, to keep administrative costs low, and avoid the need for individual water agencies to hire staff. Additionally, eligibility screening should be performed by a third party administrator and not performed by individual water agencies as CVWD currently does not collect personally identifiable information from customers. Funding for these programs should come from a sustainable source without the possibility of creating a water tax or fee for funding.

10. Seek external funding for new facilities or facilities improvements and infrastructure.

CVWD continues to provide reliable service in the areas of water delivery, water capture and reuse, and storm water management, which often requires new facilities or improvements to its existing facilities. In order to meet the “reasonable cost” component of CVWD’s mission statement, CVWD should maximize opportunities to leverage external funding whenever possible in order to reduce the cost burdens associated with the required facilities to customers.

Aging and deficient infrastructure is an important issue that has been identified in numerous industry studies, and CVWD should encourage lawmakers to make available grants and fund-matching opportunities to encourage capital investment and improvements in infrastructure to ensure reliable service. Advocacy efforts in the area may include requesting an authority expansion for program funding to include new arenas not traditionally undertaken by the agency in question, particularly at the federal level, but also at the state level.



11. Support investments to improve California’s infrastructure for conveyance, storage capacity, flexibility, and reliability of clean water, such as the Delta Conveyance Project and Sites Reservoir

CVWD has been intimately involved with the State Water Project (SWP) since its inception in the 1960s, being one of the original State Water Contractors; CVWD’s annual payment to the SWP is in excess of \$50 million. Over the past 50+ years, the reliability of the water deliveries from this project has decreased to less than 50% since 2007.

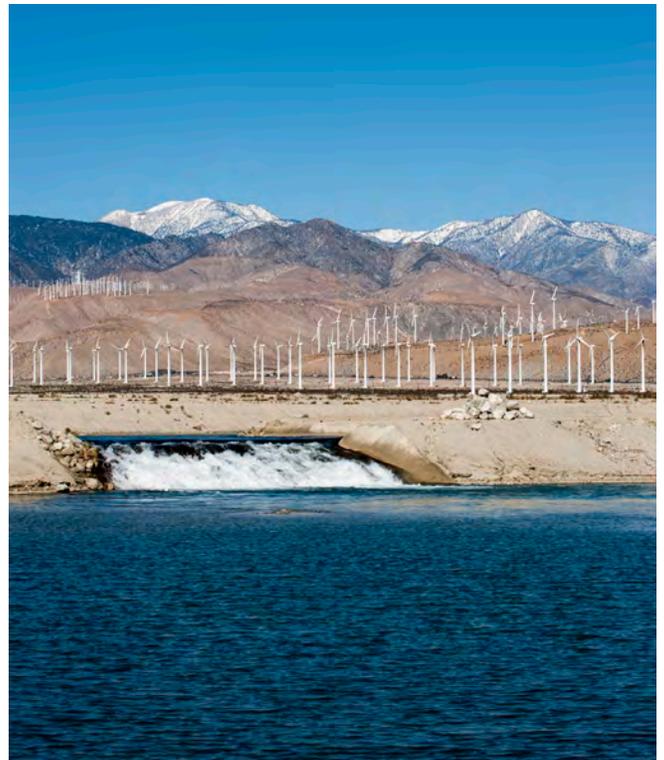
CVWD’s Board has been supportive of two important projects which attempt to restore the SWP’s reliability so that CVWD and other participating contractors may receive closer to their contracted-for allocations. The first is a tunnel project that is envisioned to convey water across the environmentally-sensitive Sacramento-San Joaquin Delta during wet years so that the water may be stored for use during dry years. The tunnel project has undergone many iterations (Delta Habitat Conservation and Conveyance Program (DHCCP), California WaterFix, and most recently, the Delta Conveyance Project (DCP)).

Recognizing the importance of the SWP for the Coachella Valley, the CVWD Board has been supportive of these various iterations of the tunnel project. The most recent actions included supporting the Delta Conveyance Project and participating in and funding of the project through the Design and Construction Authority (DCA) and the Delta Conveyance Finance Authority (DCFA).

The second major project that the CVWD Board supports in helping to restore SWP reliability is the Sites Reservoir Project. This off-stream reservoir was envisioned to be a part of the SWP, and is intended to capture and store excess storm water runoff, which will provide additional storage capacity, flexibilities, and resilience for California water. CVWD has been a member of the Sites Reservoir Committee since 2017 and is one of the original investors south of the Delta.

CVWD supports investments to increase flexibilities and reliability of the State Water Project and the Central Valley Project as a system.

CVWD staff will continue to monitor the developments on the SWP, Delta Conveyance Project, Sites Reservoir, and any legislative or regulatory actions that could impair or improve reliability and flexibility of water delivery to the contractors. CVWD will also engage with the Newsom Administration on the implementation of its “California’s Water Supply Strategy: Adapting to a Hotter, Drier Future” released in August 2022.



12. Protect CVWD interests related to the Quantification Settlement Agreement, Salton Sea, and the Salton Sea Management Program.

CVWD was one of the principal parties during the historic Quantification Settlement Agreement (QSA) discussions. Executed in 2004, the QSA is a 75-year intra-California agreement that limited the annual Colorado River water delivery to California to 4.4 million acre-feet. The effect of the QSA for CVWD is the annual paid transfer of up to 103,000 acre-feet from the Imperial Irrigation District. CVWD has actively participated on issues related to the Salton Sea, including financial contributions to the QSA Joint Powers Authority for actions to mitigate the environmental impacts from the water transfer, and two of CVWD's Board members serve on the Salton Sea Authority Board.



Although CVWD is supportive of requiring the State of California and the federal government to fulfill its obligation for environmental restoration of the Sea (the most recent iterations of this effort is the Salton Sea Management Plan, which the State is updating with a Long Range Plan in December 2022), it is opposed to any actions that may negatively impact the water transfer agreements.

CVWD will continue to engage with staff at the Salton Sea Authority, Riverside County and other agencies, as appropriate, at the federal, state and regional levels as appropriate to advance state and federal investments in environmental restoration while respecting water transfer agreements that are critical for the region.

13. Strongly support a liability exemption for water and wastewater agencies regarding the designation of PFAS as a hazardous substance under CERCLA.

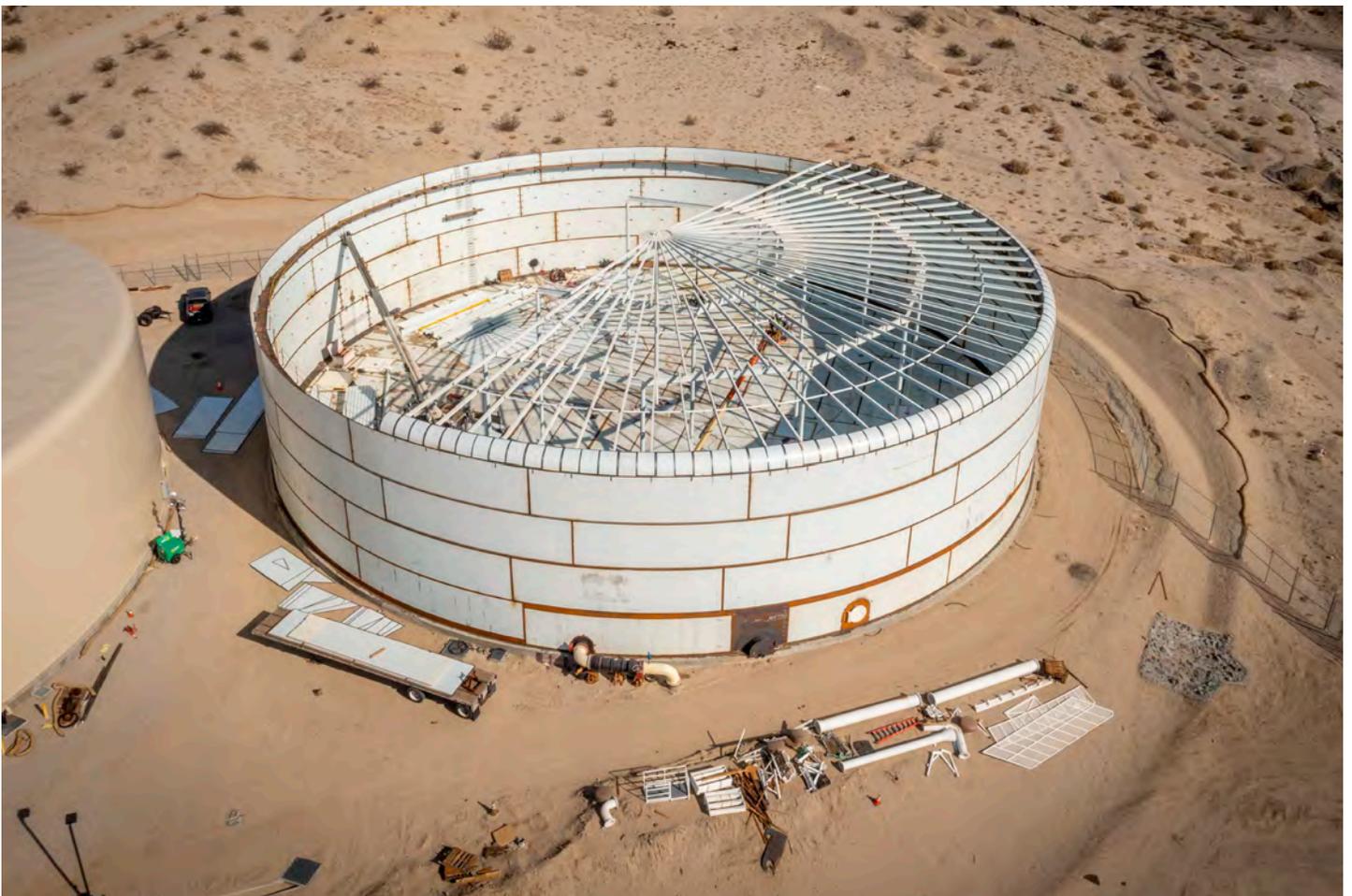
As per- and polyfluoroalkyl substances (PFAS) have gained national attention in both the press and the popular media and health impacts associated with prolonged contact with subsets of these chemicals are highlighted, there have been efforts at both the state and federal level to regulate the class of chemicals. PFAS are currently used in firefighting foam, used in industrial processes, and in numerous consumer products treated to repel food, stains, and water. Problematic PFAS are best addressed by removing these chemicals from the supply chain of manufactured products, rather than imposing requirements or potential liability on water and wastewater agencies who do not create or use PFAS.

CVWD will oppose any future efforts to regulate the class of PFAS chemicals under CERCLA, which creates potentially burdensome and expensive clean-up requirements, and gives PFAS manufacturers and users potential legal actions seeking contribution to cleanup costs.

In August 2022, the EPA proposed designating two PFAS substances, PFOA and PFOS, as hazardous substances under CERCLA. If EPA intends to finalize the designation, CVWD and a broad coalition of water and wastewater agencies support a statutory exemption from CERCLA liability for public water and wastewater agencies, who have not used or benefited from those substances.

14. Support and potentially sponsor efforts to streamline federal and state loan and grant processes and policies to reduce delays and remove barriers.

CVWD relies on a range of state, federal, and federally supported grant and loan programs to address water infrastructure and consolidation needs, including, but not limited to, grants and loans from USDA, EPA-funded grants and loans from State Revolving Funds and State and Tribal Assistance Grants, State Water Resources Control Board loans and grants, and the Bureau of Reclamation’s Title XVI and Aging Infrastructure Programs. CVWD will continue to identify and support opportunities to expedite and expand deployment and execution of these funding programs, and to remove barriers to their usefulness for local partners and the public they serve.





For questions regarding these legislative and policy directives and their implementation, please contact **Victoria Llort**, Government & Regional Affairs. at 760-398-2661, ext. 3564 or email vllort@cvwd.org.

This Legislative & Policy Platform was approved by the Board of Directors on December, 13, 2022.

COACHELLA VALLEY WATER DISTRICT

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