

Board of Directors Communications and Legislation

7/12/2022 Board Meeting

7-5

Subject

Express support, if amended, for AB 2108 (Rivas, D-Hollister and Garcia, D-Bell Gardens): Water policy: environmental justice: disadvantaged and tribal communities; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

As introduced, AB 2108 would have added the requirement that one member of the State Water Resources Control Board (State Board) and at least one of the seven appointees to each of the nine Regional Water Quality Control Boards (Regional Boards) be qualified in water supply and water quality relating to disadvantaged or tribal communities, engage in outreach to disadvantaged and tribal communities in waste discharge permitting processes, hire new staff upon appropriation of funding, and address waste discharge impacts in disadvantaged and tribal communities when issuing regional and statewide permits or waivers. The bill was amended to expand the new procedural and substantive mandates to include addressing environmental justice, racial inequities, and tribal community impacts in adopting or updating regional and statewide water quality control plans and policies, including the current and future updates to the Bay-Delta Water Quality Control Plan. While the overarching objective of the bill to include disadvantaged and tribal communities in water quality planning and permitting is laudable, some provisions in the bill are ambiguous in ways that could be interpreted to authorize and require the State Board to reallocate water rights, including in the Bay-Delta watershed, to address injustices or inequities, jeopardizing the current and future Bay-Delta Water Quality Control Plan update processes and potentially diminishing State Water Project supplies.

Details

Background

Under existing law, the State Board has five members appointed by the governor, subject to Senate confirmation, each of whom shall represent the state at large and should be from different regions. The five members must include an attorney, a civil engineer, a professional engineer, someone qualified in water quality, and someone with no special qualifications. One of the preceding five members also must be qualified in water supply and water quality relating to irrigated agriculture.

Each Regional Board has seven members appointed by the governor, subject to Senate confirmation. With one exception, each member shall be appointed based on a demonstrated interest or proven ability in water quality, including water pollution control, water resource management, water use, or water protection. One member need not have an interest or proven ability in water quality. And for any appointments from the nonpublic sector, the governor shall consider including members from key economic sectors such as agriculture, industry, commerce, forestry, and fisheries.

The State and Regional Boards may designate tribal and subsistence fishing beneficial uses for qualifying waters, in which case the water quality control plans must provide for the reasonable protection of those beneficial uses.

Summary of AB 2108 as Amended June 16, 2022

AB 2108 (Attachment 1) requires that one member of the State Board and each of the nine Regional Boards be qualified in water supply and water quality relating to disadvantaged or tribal communities. It also requires the

State and Regional Boards to address environmental justice and social equity issues early in the permit and policy planning processes, including community outreach and a mandate to meaningfully involve potentially affected communities for major projects and appropriate minor projects in disadvantaged communities. Contingent upon an appropriation by the Legislature, the State and Regional Boards must hire environmental justice and tribal community coordinator positions solely dedicated to the purpose of achieving, at a minimum, the following goals:

- Adhering to related environmental justice goals, policies, and objectives.
- Promoting meaningful civic engagement in the public decision-making processes relating to statewide and regional permitting, water quality policies, and water quality control plans.
- Informing permit conditions that address the needs of disadvantaged communities.
- Informing regulatory mitigation and remediation opportunities before State Board or Regional Board decisions and during enforcement actions and regulatory decisions—including water quality control plans such as the Bay-Delta Plan, and, where appropriate, after formal enforcement orders or administrative civil liability orders are adopted.
- Soliciting community recommendations for future projects to be listed on Regional Board supplemental environmental project lists.

Also, upon appropriation, the State Board must:

- Direct resources for training of State and Regional Board staff to advance adherence to environmental justice objectives, goals, and policies.
- Establish a community capacity-building stipend program to promote meaningful civic engagement by disadvantaged communities and tribal communities in the State Board and Regional Board decision-making processes.
- Develop program-specific tools to better identify and prioritize State Board and Regional Board compliance assessment and enforcement actions in disadvantaged communities.

AB 2108 also requires the State and Regional Boards to make programmatic findings and identify and potentially impose permit terms to address potential environmental justice, tribal impact, and racial equity considerations when issuing regional or statewide water quality control plans or policies, including the ongoing update to the Bay-Delta Water Quality Control Plan, and for waste discharge permits and waivers.

Potential Impacts on Metropolitan

AB 2108's requirements that at least one member of each water board be qualified in water supply and water quality relating to disadvantaged or tribal communities and to promote the meaningful engagement of disadvantaged and tribal communities in water quality policymaking and permitting are consistent with the Board's legislative policy to support administrative and legislative actions that prioritize providing safe and affordable drinking water to disadvantaged communities. The overall intent of the bill is also consistent with the Board's overarching objective in its 2022 Legislative Priorities and Principles that lay out an integrated "One Water" collaborative approach to managing Southern California's watersheds, water resources, and water infrastructure to ensure long-term resilience and reliability for communities and ecosystems.

However, the bill includes broad findings calling for actions to remedy past injustices and ambiguous statutory language that could be interpreted by the State and Regional Boards or reviewing courts to authorize and mandate that the State Board reallocate water rights to address economic or racial injustices when updating water quality control plans, including the Bay-Delta Plan. Such broad authority and mandate could affect the Department of Water Resources' State Water Project water rights, which are junior to many water rights in the Bay-Delta watershed.

Staff has discussed the bill's intent with its sponsor and has learned that the intent is not to expand the State or Regional Boards' authority or to reallocate water rights, but to ensure the boards engage with disadvantaged and tribal communities and take their input into account when adopting policies or issuing permits that affect water quality in disadvantaged and tribal communities.

Suggested Amendments

Based on the concerns above, staff recommends supporting AB 2108 if amended to address the potential impacts to water rights throughout the state, including the Department of Water Resources' State Water Project rights. Amendments to AB 2108 include:

- 1. Amend the Section 1 findings to avoid suggesting the bill's intent is to reallocate water rights and to acknowledge that public water agencies must serve all people within their service areas regardless of economic status, race, or cultural heritage and must meet state and federal drinking water quality requirements.
- 2. In Section 3, strike and replace broad, ambiguous language requiring water boards to "address" issues of environmental justice and social equity with language focusing on the mandate to conduct outreach and engagement to identify such issues early in water quality permitting and rulemaking processes.
- 3. In Section 4, amend language to avoid requiring water boards to base findings on all comments, even if comments are baseless or factually inaccurate, and instead require the boards to consider all comments in regulatory and permitting processes.
- 4. In Section 4, add reference to State and Regional Board's existing authority under the Porter-Cologne Water Quality Control Act (Water Code Division 7, commencing with Section 13000) to clarify that AB 2108 creates no new regulatory or permitting authority.
- 5. Make conforming amendments as needed to address the concerns outlined above.

Recommendation

Staff recommends the Board authorize the General Manager to express a support-if-amended position and seek amendments to clarify the bill's focus on process and water quality under the State and Regional Boards' existing authority over water quality.

Policy

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

By Minute Item 52579, dated November 9, 2021, the Board adopted the Legislative Priorities and Principles for 2022, Section II.B., Water Governance and Funding, Subsection 1. Support administrative/legislative actions that prioritize providing safe and affordable drinking water to disadvantaged communities.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA because it involves continuing administrative activities, such as general policy and procedure making (Public Resources Code Section 21065; Section 15378(b)(2) of the State CEQA Guidelines). In addition, the proposed action is not subject to CEQA because it can be seen with certainty that there is no possibility that this activity may have a significant effect on the environment (Section 1506l(b)(3) of the State CEQA Guidelines).

CEQA determination for Option #2:

None required

Board Options

Option #1

Express support, if amended, for AB 2108 (Rivas, D-Hollister and Garcia, D-Bell Gardens)

Fiscal Impact: Unknown. Reduces the risk of reallocation of water rights and future litigation. **Business Analysis:** Metropolitan's State Water Project supplies would not be impacted and potential delays to water quality control plan updates may be avoided.

7/7/2022

Date

Option #2

Take no position on AB 2108

Fiscal Impact: Unknown. Increased risk of reallocation of water rights and litigation costs.

Business Analysis: Metropolitan's State Water Project supplies could be adversely impacted, water quality control plan updates could be delayed leading to water supply reliability uncertainty, and litigation costs could be incurred.

Staff Recommendation

Option #1

Susan Sims

External Affairs Group Manager

General Manager

7/7/2022 Adel Hagekhalil Date

Attachment 1— Bill Text: AB 2108 (Rivas, D-Hollister and Garcia, D-Bell Gardens): Water policy: environmental justice: disadvantaged and tribal communities, as amended June 16, 2022

Ref# ea12687462

AMENDED IN SENATE JUNE 16, 2022

AMENDED IN ASSEMBLY MAY 19, 2022

AMENDED IN ASSEMBLY APRIL 19, 2022

AMENDED IN ASSEMBLY MARCH 15, 2022

CALIFORNIA LEGISLATURE—2021–22 REGULAR SESSION

ASSEMBLY BILL

No. 2108

Introduced by Assembly Members Robert Rivas and Cristina Garcia (Coauthors: Assembly Members Eduardo Garcia, Ramos, and Bennett)

February 14, 2022

An act to amend Sections 175 and 13201 of, and to add Sections 189.7 and 13149.2 to, the Water Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

AB 2108, as amended, Robert Rivas. Water policy: environmental justice: disadvantaged and tribal communities.

Existing law establishes the State Water Resources Control Board (state board) in the California Environmental Protection Agency. The state board consists of 5 members appointed by the Governor, including one member who is not required to have specialized experience. Existing law requires one of those members, excluding the member who is not required to have specialized experience, to additionally be qualified in the field of water supply and water quality relating to irrigated agriculture.

Existing law also establishes 9 California regional water quality control boards. Each regional board consists of 7 members appointed

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by the Governor, of whom 6 are appointed on the basis of demonstrated interest or proven ability in the field of water quality and one as a public member not specifically associated with any enumerated qualification.

This bill would require that one of the persons appointed by the Governor to the state board be qualified in the field of water supply and water quality relating to disadvantaged or tribal communities and not be the same member as the member appointed who is qualified in the field of water supply and water quality relating to irrigated agriculture. The bill would also require that at least one person appointed to each regional board have specialized experience relating to disadvantaged or tribal communities, except as provided. The bill would prohibit, in making those appointments, preference to be given on the basis of ethnicity or national origin.

Existing law requires the state board to formulate and adopt state policy for water quality control. Existing law requires the regional board boards to prescribe requirements as to the nature of any proposed discharge, existing discharge, or material change in an existing discharge, except discharges into a community sewer system, with relation to the conditions existing in the disposal area or receiving waters upon, or into which, the discharge is made or proposed. Existing law also authorizes the state board or a regional board to waive these requirements as to a specific discharge or type of discharge if the state board or a regional board determines, after any necessary state board or regional board meeting, that the waiver is consistent with any applicable state or regional water quality control plan and is in the public interest.

This bill would, among other things, require the state board and each regional board to begin addressing issues of environmental justice and social equity as early as possible in permit and policy planning processes. The bill would require the state board and each regional board, contingent upon an appropriation, to hire environmental justice and tribal community coordinator positions for specified purposes. The bill would require the state board, contingent upon an appropriation, to establish a community capacity-building stipend program to promote meaningful civic engagement by disadvantaged communities and tribal communities in the state board and regional board decisionmaking processes, among other activities. The bill would require the state board and each regional board to make a programmatic finding on potential environmental justice, tribal impact, and racial equity considerations when issuing certain plans, policies, waste discharge requirements, and

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waivers. regional or statewide water quality control plans, policies for water quality control, waste discharge requirements, or waivers of waste discharge requirements. The bill would also set forth related findings and declarations.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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

- 1 SECTION 1. The Legislature finds and declares all of the 2 following:
 - (a) Disadvantaged communities are disproportionally impacted by water quality pollution. The state's 2021 *CalEnviroScreen* update reveals that the top 10 percent of least polluted neighborhoods are 67 percent White, and the top 10 percent of most polluted neighborhoods are 90 percent Black, Indigenous, and people of color. Contaminated drinking water sources disproportionately burden low-income and Black, Indigenous, and people of color communities throughout California, further exacerbating persistent inequities, which can be seen in data collected by the human right to water framework.
 - (b) The 2021 Pollution and Prejudice story map from the California Protection Environmental Agency (CalEPA) demonstrates that historically redlined neighborhoods are generally associated with worse environmental conditions and greater population vulnerability to the effects of pollution today. People of color are overrepresented in the neighborhoods that are the most environmentally degraded and are still experiencing severe racial wealth gaps caused by redlining and other land-use practices designed to oppress them. Many of these communities lack access to parks, open spaces, greenways, and green infrastructure to provide, for example, natural flood protection, water treatment, and groundwater recharge and replenishment.
 - (c) In 2021, the State Water Resources Control Board released the 2021 Drinking Water Needs Assessment, which identifies approximately 345 water systems that fail to meet the goals of the human right to water. In addition, the needs assessment identified 617 at-risk public water systems, 611 at-risk state small water systems, and 80,000 at-risk domestic wells. It also identified 13 federally regulated tribal water systems that failed to meet the

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goals of the human right to water and 22 at-risk tribal water
systems.
(d) Historically, the boards' programs were established over a

- (d) Historically, the boards' programs were established over a structural framework that perpetuated inequities based on race. These inequities persist and the boards need to specifically address the role racism has played in creating inequities in affordability and access to clean and safe water and in the allocation and protection of water resources.
- (e) In California, race predicts a person's access to government services and the quality and affordability of the services they receive. This includes the availability of safe drinking water and the collection, treatment, and reuse of wastewater. In fact, race is the strongest predictor of water and sanitation access.
- (f) On a community scale, race is strongly correlated with more severe pollution burdens. However, until recently, few of the water boards' policies, programs, or plans expressly considered or addressed racial inequities. As a government agency, the State Water Resources Control Board recognizes the need to acknowledge racial inequity and to take action to address racial inequity within the agency and as part of the programs the regional water quality control boards carry out for the communities served.
- (g) Over the last decade, the regional water quality control boards have increasingly emphasized actions to address environmental injustices, including: (1) creating the Safe and Affordable Funding for Equity and Resilience (SAFER) Program, a comprehensive approach to implementing the state's commitment to the human right to water by ensuring the estimated 1,000,000 Californians being served contaminated water have solutions for safe, affordable drinking water; (2) improving engagement with California Native American tribes and recognizing and protecting tribal beneficial uses; (3) developing a comprehensive response to climate change, including addressing disproportionate impacts on vulnerable communities; and (4) administering funding for projects that remediate the harm—or threat of harm—to human health, safety, and the environment caused by existing or threatened surface water and groundwater contamination.
- (h) The regional water quality control boards recognize the need to further address environmental injustice and racial inequity. To better represent and serve California's communities, the regional water quality control boards need to address the connection

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between protecting and managing water resources and systemic and institutional racism while fostering greater workforce diversity, equity, and inclusion within the agency.

(i) The state is committed to the protection of public health and beneficial uses of waterbodies in all communities, particularly in Black, Indigenous, and people of color communities disproportionately burdened by environmental pollution through cleanup of contaminated soil, soil vapor, and groundwater; control of wastes discharged to land and surface water; restoration of impaired surface waters and degraded aquifers; and promotion of multibenefit water quality projects to increase access to parks, open spaces, greenways, and other green infrastructure.

SEC. 2. Section 175 of the Water Code is amended to read:

175. (a) There is in the California Environmental Protection Agency the State Water Resources Control Board consisting of five members appointed by the Governor. One of the members appointed shall be an attorney admitted to practice law in this state who is qualified in the fields of water supply and water rights, one shall be a registered civil engineer under the laws of this state who is qualified in the fields of water supply and water rights, one shall be a registered professional engineer under the laws of this state who is experienced in sanitary engineering and who is qualified in the field of water quality, and one shall be qualified in the field of water quality. One of the above-appointed persons, in addition to having the specified qualifications, shall be qualified in the field of water supply and water quality relating to irrigated agriculture. One of the persons appointed pursuant to this subdivision, in addition to having the qualifications described in this section, shall be qualified in the field of water supply and water quality relating to disadvantaged or tribal communities and shall not be the same member as the member appointed who is qualified in the field of water supply and water quality relating to irrigated agriculture. In appointing the member qualified in the field of water supply and water quality relating to disadvantaged or tribal communities, preference shall not be given on the basis of ethnicity or national origin. One member shall not be required to have specialized experience.

(b) Each member shall represent the state at large and not any particular portion thereof and shall serve full time. The board shall, to the extent possible, be composed of members from different

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regions of the state. The appointments made by the Governor shall

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- 2 be subject to confirmation by the Senate in accordance with Article
- 2 (commencing with Section 1770) of Chapter 4 of Division 4 of
 Title 1 of the Government Code.
- 5 SEC. 3. Section 189.7 is added to the Water Code, to read:
 - 189.7. (a) Addressing issues of environmental justice and social equity shall begin as early as possible in state board or regional board permit and policy planning processes. In accordance with that requirement, the state board and each regional board shall do both of the following:
 - (1) Engage in equitable, culturally relevant community outreach to meaningfully involve potentially impacted communities for major projects and appropriate minor projects in-underrepresented, identified vulnerable, or disadvantaged communities and ensure that outreach and engagement shall continue throughout the review and permitting processes.
 - (2) Contingent upon an appropriation by the Legislature in the annual Budget Act for this purposes, hire environmental justice and tribal community coordinator positions solely dedicated to the purpose of achieving, at a minimum, all of the following goals:
 - (A) Adhering to related environmental justice goals, policies, and objectives.
 - (B) Promoting meaningful civic engagement in the public decisionmaking process.
 - (C) Informing permit conditions that address the needs of disadvantaged communities pursuant to Section 13149.2.
 - (D) Informing—regulatory mitigation and remediation opportunities before state board or regional board-decisions and during enforcement actions pursuant to Section 13149.2. regulatory decisions pursuant to Section 13149.2 and, where appropriate, after formal enforcement orders or administrative civil liability orders are adopted.
 - (E) Soliciting and informing supplemental environmental project proposals.
 - (E) Soliciting community recommendations for future projects to be listed on regional board supplemental environmental project lists.
 - (b) Contingent upon an appropriation by the Legislature in the annual Budget Act for these purposes, the state board shall do all of the following:

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- (1) Direct resources for training of state board and regional
- board staff to advance adherence to environmental justice objectives, goals, and policies adopted by the state board and the regional boards.

 (2) Establish a community capacity-building stipend program
- to promote meaningful civic engagement by disadvantaged communities and tribal communities in the state board and regional board decisionmaking processes by providing funding or services that allow members of the public to overcome barriers, such as technology, language, travel, and income, to public participation.
- (3) Develop program-specific tools to better identify and prioritize state board and regional board compliance assessment and enforcement actions in disadvantaged communities.
- (c) The state board may, through contracts or grants, utilize nonprofit organizations to administer all or part of the activities specified in paragraph (1) of subdivision (a) and paragraph (2) of subdivision (b).
 - (d) For purposes of this section, the following definitions apply:
- (1) "Disadvantaged community" has the same meaning as defined in Section 116275 of the Health and Safety Code.
- (2) "Environmental justice" has the same meaning as defined in Section 30107.3 of the Public Resources Code.
- (3) "Meaningful civic engagement" includes, but is not limited to, all of the following:
- (A) An opportunity for people to participate in decisions about activities that may affect their environment or health.
- (B) Public contribution that may influence a regulatory agency's decisionmaking.
 - (C) Community concerns that are considered in the process.
- (D) Decisionmakers seeking out and facilitating the involvement of people potentially affected.
- (E) Informing disadvantaged and tribal community members of decisionmaker appointment opportunities, thereby empowering those community members to become decisionmakers.
 - SEC. 4. Section 13149.2 is added to the Water Code, to read:
- 13149.2. (a) It is the intent of the Legislature in enacting this section to facilitate the development of analyses and findings that apply environmental justice objectives, goals, and policies adopted by the state board and the regional boards in a transparent and inclusive manner.

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- (b) When issuing regional or statewide plans or policies, or water quality control plans, policies for water quality control, waste discharge requirements requirements, or waivers of waste discharge requirements, the state board or a regional board shall make a programmatic finding on potential environmental justice, tribal impact, and racial equity considerations related to the issuance. The finding shall be based on readily available information identified by staff or raised during the public review process and shall include both of the following:
- (1) A summary of the anticipated water quality impact in disadvantaged or tribal communities as a result of the permitted activity or facility, and any environmental justice concerns within the scope of the state board or regional board's authority previously raised to the applicable board by interested persons with regard to these impacts.
- (2) Identification of measures available and within the scope of the state board or regional board's authority to address the impacts of the permitted activity or facility in a disadvantaged or tribal community.
- (c) When issuing an individual waste discharge requirement or waiver of a waste discharge requirement that regulates activity or a facility that may impact a disadvantaged or tribal community, and that includes a time schedule in accordance with subdivision (c) of Section 13263 for achieving an applicable water quality objective, water quality variance, or other permit exemption for achieving applicable water quality objectives, receiving water limitation exemption, the state board or a regional board shall make a finding on potential environmental justice, tribal impact, and racial equity considerations. The finding shall be based on readily available information identified by staff or raised during the public review process and include the information specified in paragraphs (1) and (2) of subdivision (b). This subdivision does not apply to the use of mixing zones or dilution credits.
- (d) This section does not apply to certifications issued pursuant to Section 401 of the federal Clean Water Act (33 U.S.C. Sec. 1341).
 - (e) For purposes of this section, the following definitions apply:
- (1) "Disadvantaged community" has the same meaning as defined in Section 116275 of the Health and Safety Code.

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- (2) "Environmental justice" has the same meaning as defined in Section 30107.3 of the Public Resources Code.
- SEC. 5. Section 13201 of the Water Code is amended to read: 13201. (a) There is a regional board for each of the regions described in Section 13200. Each board shall consist of seven members appointed by the Governor, each of whom shall represent, and act on behalf of, all the people and shall reside or have a principal place of business within the region.
- (b) Except as specified in subdivision (c), each member shall be appointed on the basis of that member's demonstrated interest or proven ability in the field of water quality, including water pollution control, water resource management, water use, or water protection. The Governor shall consider appointments from the public and nonpublic sectors. In regard to appointments from the nonpublic sector, the Governor shall consider including members from key economic sectors in a given region, such as agriculture, industry, commercial activities, forestry, and fisheries.
- (c) (1) At least one member shall be appointed as a public member who is not required to meet the criteria established pursuant to subdivision (b).
- (2) At least one member appointed pursuant to subdivision (a) shall have specialized experience relating to disadvantaged or tribal communities. In appointing the member with specialized experience relating to disadvantaged or tribal communities, preference shall not be given on the basis of ethnicity or national origin.
- (d) All persons appointed to a regional board shall be subject to Senate confirmation, but shall not be required to appear before any committee of the Senate for purposes of such confirmation unless specifically requested to appear by the Senate Committee on Rules.
- (e) Insofar as practicable, appointments shall be made so as to result in representation on the board from all parts of the region.
- (f) Insofar as practicable, appointments shall be made so as to result in representation on the board from diverse experiential backgrounds.
- (g) Each member shall be appointed on the basis of that member's ability to attend substantially all meetings of the board and to actively discharge all duties and responsibilities of a member of the board.

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1 (h) The reduction in the number of members of each regional board required by Chapter 39 of the Statutes of 2012 shall be achieved according to the ordinary expiration of the terms of 4 incumbents and other vacancies. Notwithstanding Section 13202, the Governor shall not fill a vacancy on any regional board until the number of members serving on that regional board falls below seven members. If the number of members serving on the regional board falls below seven members, the Governor shall appoint or reappoint individuals pursuant to this section. Paragraph (2) of subdivision (c) does not apply, and shall not limit the Governor, 10 in instances in which an appointment or reappointment is necessary 11 for a regional board to establish a quorum. 12