



BEST BEST & KRIEGER ☰
ATTORNEYS AT LAW

To: Las Virgenes-Triunfo JPA
From: Syrus Devers, Best Best & Krieger
Date: December 17st, 2021
Re: Monthly Report

Legislative Report

Except for an informational hearing on the drought, the Legislature has been fortunately quiet on water policy matters. That is fortunate because water districts already have a lot to deal with on the administrative front as the holidays approach. The only legislative matter to mention is the run up to the campaign on AB 1434 (Friedman) which seeks to reduce indoor water use efficiency standards. This has been covered previously and the only new information is that ACWA has convened a working group to coordinate the effort, and prepared an industry response calling for the Water Commission to conduct a legitimate study on indoor water use efficiency.

Administrative Report

Many water districts are working overtime dealing with the implementation of COVID relief efforts. The one most often in the news is the arrearages relief program to address unpaid water bills. Water districts were slow to apply over concerns of whether or not the relief funds would be treated as taxable income by the IRS. The SWRCB had recommended keeping payments below the reporting limit (\$600) to address the issue temporarily, but the logistics of that approach failed to increase participation. Thankfully the IRS recently released guidance late in November that the debt forgiveness is nontaxable. The application deadline was December 6th.

While SWRCB is trying to get the debt relief funds out the door, it is also trying to move along the grant programs funded in the budget. For communities facing immediate needs due to the drought, the Urban and Multibenefit Drought Relief program is up and running and accepting applications. There is no application deadline for this program. It will be awarded in phases until the \$200 million in allocated funds are expended. While that is happening the Department of Water Resources is finalizing the application process and guidelines for the Sustainable Groundwater Management Act (SGMA) grant program, which is the \$152 million allocated for SGMA implementation assistance. Applications will start being accepted on December 20th. Comments on the draft guidelines were due November 29th.



BEST BEST & KRIEGER ☰
ATTORNEYS AT LAW

The major story politically is redistricting, with final maps due on the 27th of December. The proposed maps are causing consternation on both sides. BB&K has not reported on the process since there will be no impact to water policy issues, but staff would be happy to answer any questions offline.