

AMENDED IN ASSEMBLY JULY 6, 2015  
AMENDED IN ASSEMBLY JUNE 24, 2015  
AMENDED IN ASSEMBLY MAY 21, 2015  
AMENDED IN SENATE APRIL 23, 2015  
AMENDED IN SENATE FEBRUARY 24, 2015

**SENATE BILL**

**No. 13**

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**Introduced by Senator Pavley**

December 1, 2014

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An act to amend Sections 5202, 10720.5, 10720.7, 10722.2, 10722.4, 10723, 10723.6, 10723.8, 10724, 10726.8, 10730.2, 10733.2, ~~10733.3~~, 10735.2, 10735.4, 10735.6, and 10933 of, ~~and~~ to add Section 10729.2 to, *and to repeal Section 10733.3 of*, the Water Code, relating to groundwater.

LEGISLATIVE COUNSEL'S DIGEST

SB 13, as amended, Pavley. Groundwater.

Existing law, the Sustainable Groundwater Management Act, requires all groundwater basins designated as high- or medium-priority basins by the Department of Water Resources that are designated as basins subject to critical conditions of overdraft to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2020, and requires all other groundwater basins designated as high- or medium-priority basins to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2022, except as specified. The act authorizes the State Water Resources Control Board to designate a basin as a probationary basin if the state board makes a

certain determination and to develop an interim plan for the probationary basin. The act requires a local agency or groundwater sustainability agency to have 90 or 180 days, as prescribed, to remedy the deficiency if the board designates the basin as a probationary basin.

This bill would specify that the board is authorized to designate a high- or medium-priority basin as a probationary basin. This bill would provide a local agency or groundwater sustainability agency 90 or 180 days, as prescribed, to remedy certain deficiencies that caused the board to designate the basin as a probationary basin. This bill would authorize the board to develop an interim plan for certain probationary basins one year after the designation of the basin as a probationary basin.

Existing law authorizes a combination of local agencies to form a groundwater sustainability agency by a joint powers agreement, memorandum of agreement, or other legal agreement, and authorizes a water corporation regulated by the Public Utilities Commission to participate in a groundwater sustainability agency if the local agencies approve.

This bill would authorize a mutual water company to participate in a groundwater sustainability agency and would provide that a water corporation or a mutual water company may participate through a memorandum of agreement or other legal agreement.

Existing law establishes a groundwater monitoring program pursuant to which specified entities, including a groundwater sustainability agency, may propose to be designated by the department as groundwater monitoring entities, as defined, for the purposes of monitoring and reporting with regard to groundwater elevations in all or part of a groundwater basin or subbasin. Existing law requires the department to identify the extent of monitoring of groundwater elevations that is being undertaken in groundwater basins and subbasins, and if the department determines that all or part of a basin or subbasin is not being monitored, to determine whether there is sufficient interest in establishing a groundwater management plan, an integrated regional water management plan, or a groundwater monitoring association.

This bill, if the department determines that all or part of a basin or subbasin is not being monitored, would require the department to determine whether there is sufficient interest in establishing a groundwater sustainability plan.

Existing law requires a local agency or combination of local agencies that elect to be a groundwater sustainability agency for a basin to submit a prescribed notice of intent to the department that includes the proposed

boundaries of the basin. Existing law *basin and* requires the department to post the notice on its Internet Web site within 15 days of receipt.

This bill would eliminate these provisions.

Existing law requires a groundwater sustainability agency to inform the department of its election or formation and its intent to undertake sustainable groundwater management within 30 days of forming or electing to be a groundwater sustainability agency and requires the notice to include specified information such as the service area boundaries *and requires the department to post the notice on its Internet Web site within 15 days of receipt*. Existing law provides that the groundwater sustainability agency is presumed the exclusive groundwater sustainability agency 90 days following the posting of notice, provided that no other notice was submitted.

This bill would require local agencies to seek to reach agreement to allow prompt designation of a groundwater sustainability agency. This bill would require a new ~~notice~~, *notice* to be submitted and the department to post notice if agreement is reached by the local agencies involving a material change from the information in the posted notice. *This bill would require the department to post only complete notices it receives*.

Existing law requires the department to categorize each basin as high, medium, low, or very low priority and authorizes a local agency to request that the department revise the boundaries of a basin. Existing law provides that a local agency has 2 years from the date of a reprioritization that elevates a basin to a medium- or high-priority basin to either establish a groundwater sustainability agency or submit an alternative to the department and 5 years from the date of reprioritization to adopt a groundwater sustainability plan, as prescribed.

This bill would extend the deadline for a basin that is elevated to a medium- or high-priority basin before January 31, 2017, and is not subject to critical conditions of overdraft to be managed under a groundwater sustainability plan to January 31, 2022.

Existing law, the Administrative Procedure Act, governs the procedure for the adoption, amendment, or repeal of regulations by state agencies and for the review of those regulatory actions by the Office of Administrative Law.

This bill would state that a guideline, criterion, bulletin, or other technical or procedural analysis or guidance prepared by the department as required by the Sustainable Groundwater Management Act is not subject to the Administrative Procedure Act, except as prescribed.

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. Section 5202 of the Water Code is amended to  
2 read:

3 5202. (a) This section applies to a person who does either of  
4 the following:

5 (1) Extracts groundwater from a probationary basin 90 days or  
6 more after the board designates the basin as a probationary basin  
7 pursuant to Section 10735.2.

8 (2) Extracts groundwater on or after July 1, 2017, in an area  
9 within a high- or medium-priority basin subject to the requirements  
10 of subdivision (a) of Section 10720.7 that is not within the  
11 management area of a groundwater sustainability agency and where  
12 the county does not assume responsibility to be the groundwater  
13 sustainability agency, as provided in subdivision (b) of Section  
14 10724.

15 (b) Except as provided in subdivision (c), a person subject to  
16 this section shall file a report of groundwater extraction by  
17 December 15 of each year for extractions made in the preceding  
18 water year.

19 (c) Unless reporting is required pursuant to paragraph (2) of  
20 subdivision (c) of Section 10735.2, this section does not apply to  
21 any of the following:

22 (1) An extraction by a de minimis extractor.

23 (2) An extraction excluded from reporting pursuant to paragraph  
24 (1) of subdivision (c) of Section 10735.2.

25 (3) An extraction reported pursuant to Part 5 (commencing with  
26 Section 4999).

27 (4) An extraction that is included in annual reports filed with a  
28 court or the board by a watermaster appointed by a court or  
29 pursuant to statute to administer a final judgment determining  
30 rights to water. The reports shall identify the persons who have  
31 extracted water and give the general place of use and the quantity  
32 of water that has been extracted from each source.

33 (d) Except as provided in Section 5209, the report shall be filed  
34 with the board.

1 (e) The report may be filed by the person extracting water or  
2 on that person's behalf by an agency that person designates and  
3 that maintains a record of the water extracted.

4 (f) Each report shall be accompanied by the fee imposed  
5 pursuant to Section 1529.5.

6 SEC. 2. Section 10720.5 of the Water Code is amended to read:

7 10720.5. (a) Groundwater management pursuant to this part  
8 shall be consistent with Section 2 of Article X of the California  
9 Constitution. Nothing in this part modifies rights or priorities to  
10 use or store groundwater consistent with Section 2 of Article X of  
11 the California Constitution, except that in basins designated  
12 medium- or high-priority basins by the department, no extraction  
13 of groundwater between January 1, 2015, and the date of adoption  
14 of a groundwater sustainability plan pursuant to this part or the  
15 approval by the department of an alternative submitted pursuant  
16 to Section 10733.6, whichever is sooner, may be used as evidence  
17 of, or to establish or defend against, any claim of prescription.

18 (b) Nothing in this part, or in any groundwater management  
19 plan adopted pursuant to this part, determines or alters surface  
20 water rights or groundwater rights under common law or any  
21 provision of law that determines or grants surface water rights.

22 SEC. 3. Section 10720.7 of the Water Code is amended to read:

23 10720.7. (a) (1) By January 31, 2020, all basins designated  
24 as high- or medium-priority basins by the department that have  
25 been designated in Bulletin 118, as it may be updated or revised  
26 on or before January 1, 2017, as basins that are subject to critical  
27 conditions of overdraft shall be managed under a groundwater  
28 sustainability plan or coordinated groundwater sustainability plans  
29 pursuant to this part.

30 (2) By January 31, 2022, all basins designated as high- or  
31 medium-priority basins by the department that are not subject to  
32 paragraph (1) shall be managed under a groundwater sustainability  
33 plan or coordinated groundwater sustainability plans pursuant to  
34 this part.

35 (b) The Legislature encourages and authorizes basins designated  
36 as low- and very low priority basins by the department to be  
37 managed under groundwater sustainability plans pursuant to this  
38 part. Chapter 11 (commencing with Section 10735) does not apply  
39 to a basin designated as a low- or very low priority basin.

40 SEC. 4. Section 10722.2 of the Water Code is amended to read:

1 10722.2. (a) A local agency may request that the department  
2 revise the boundaries of a basin, including the establishment of  
3 new subbasins. A local agency's request shall be supported by the  
4 following information:

5 (1) Information demonstrating that the proposed adjusted basin  
6 can be the subject of sustainable groundwater management.

7 (2) Technical information regarding the boundaries of, and  
8 conditions in, the proposed adjusted basin.

9 (3) Information demonstrating that the entity proposing the  
10 basin boundary adjustment consulted with interested local agencies  
11 and public water systems in the affected basins before filing the  
12 proposal with the department.

13 (4) Other information the department deems necessary to justify  
14 revision of the basin's boundary.

15 (b) By January 1, 2016, the department shall adopt regulations  
16 regarding the information required to comply with subdivision (a),  
17 including the methodology and criteria to be used to evaluate the  
18 proposed revision. The department shall adopt the regulations,  
19 including any amendments thereto, authorized by this section as  
20 emergency regulations in accordance with the Administrative  
21 Procedure Act (Chapter 3.5 (commencing with Section 11340) of  
22 Part 1 of Division 3 of Title 2 of the Government Code). The  
23 adoption of these regulations is an emergency and shall be  
24 considered by the Office of Administrative Law as necessary for  
25 the immediate preservation of the public peace, health and safety,  
26 or general welfare. Notwithstanding the Administrative Procedure  
27 Act, emergency regulations adopted by the department pursuant  
28 to this section shall not be subject to review by the Office of  
29 Administrative Law and shall remain in effect until revised by the  
30 department.

31 (c) Methodology and criteria established pursuant to subdivision  
32 (b) shall address all of the following:

33 (1) How to assess the likelihood that the proposed basin can be  
34 sustainably managed.

35 (2) How to assess whether the proposed basin would limit the  
36 sustainable management of adjacent basins.

37 (3) How to assess whether there is a history of sustainable  
38 management of groundwater levels in the proposed basin.

39 (d) Prior to adopting the regulations pursuant to subdivision (b),  
40 the department shall conduct three public meetings to consider

1 public comments. The department shall publish the draft  
2 regulations on its Internet Web site at least 30 days before the  
3 public meetings. One meeting shall be conducted at a location in  
4 northern California, one meeting shall be conducted at a location  
5 in the central valley of California, and one meeting shall be  
6 conducted at a location in southern California.

7 (e) The department shall provide a copy of its draft revision of  
8 a basin's boundaries to the California Water Commission. The  
9 California Water Commission shall hear and comment on the draft  
10 revision within 60 days after the department provides the draft  
11 revision to the commission.

12 SEC. 5. Section 10722.4 of the Water Code is amended to read:

13 10722.4. (a) Pursuant to Section 10933, for the purposes of  
14 this part the department shall categorize each basin as one of the  
15 following priorities:

- 16 (1) High priority.
- 17 (2) Medium priority.
- 18 (3) Low priority.
- 19 (4) Very low priority.

20 (b) The initial priority for each basin shall be established by the  
21 department pursuant to Section 10933 no later than January 31,  
22 2015.

23 (c) Any time the department updates Bulletin 118 boundaries  
24 pursuant to subdivision (b) of Section 12924, the department shall  
25 reassess the prioritization pursuant to Section 10933.

26 (d) If the department changes priorities pursuant to Section  
27 10933 to elevate a basin from a low- or very low priority basin to  
28 a medium- or high-priority basin after January 31, 2015, the agency  
29 formation and planning deadlines of this part shall be extended as  
30 follows:

31 (1) A local agency shall have two years from the date of  
32 reprioritization to either establish a groundwater sustainability  
33 agency pursuant to Chapter 4 (commencing with Section 10723)  
34 or two years to satisfy the requirements of Section 10733.6.

35 (2) A groundwater sustainability agency shall have five years  
36 from the date of reprioritization to meet the requirements of  
37 subdivision (a) of Section 10720.7, except that if the reprioritization  
38 occurs before January 31, 2017, a groundwater sustainability  
39 agency subject to paragraph (2) of subdivision (a) of Section  
40 10720.7 shall have until January 31, 2022.

1 SEC. 6. Section 10723 of the Water Code is amended to read:  
2 10723. (a) Except as provided in subdivision (c), any local  
3 agency or combination of local agencies overlying a groundwater  
4 basin may decide to become a groundwater sustainability agency  
5 for that basin.

6 (b) Before deciding to become a groundwater sustainability  
7 agency, and after publication of notice pursuant to Section 6066  
8 of the Government Code, the local agency or agencies shall hold  
9 a public hearing in the county or counties overlying the basin.

10 (c) (1) Except as provided in paragraph (2), the following  
11 agencies created by statute to manage groundwater shall be deemed  
12 the exclusive local agencies within their respective statutory  
13 boundaries with powers to comply with this part:

14 (A) Alameda County Flood Control and Water Conservation  
15 District, Zone 7.

16 (B) Alameda County Water District.

17 (C) Desert Water Agency.

18 (D) Fox Canyon Groundwater Management Agency.

19 (E) Honey Lake Valley Groundwater Management District.

20 (F) Long Valley Groundwater Management District.

21 (G) Mendocino City Community Services District.

22 (H) Mono County Tri-Valley Groundwater Management  
23 District.

24 (I) Monterey Peninsula Water Management District.

25 (J) Ojai Groundwater Management Agency.

26 (K) Orange County Water District.

27 (L) Pajaro Valley Water Management Agency.

28 (M) Santa Clara Valley Water District.

29 (N) Sierra Valley Groundwater Management District.

30 (O) Willow Creek Groundwater Management Agency.

31 (2) An agency identified in this subdivision may opt out of being  
32 the exclusive groundwater management agency within its statutory  
33 boundaries by sending a notice to the department, which shall be  
34 posted ~~pursuant to Section 10733.3:~~ *on the department's Internet*  
35 *Web site within 15 days of receipt.* If an agency identified in  
36 paragraph (1) opts out of being the exclusive groundwater  
37 management agency, any other local agency or combination of  
38 local agencies operating within the statutory boundaries of the  
39 agency that has opted out may notify the department pursuant to



1 Section 10723.8 of its decision to be the groundwater sustainability  
2 agency.

3 (3) A local agency listed in paragraph (1) may comply with this  
4 part by meeting the requirements of Section 10733.6 or opting to  
5 become a groundwater sustainability agency pursuant to this  
6 section. A local agency with authority to implement a basin-specific  
7 management plan pursuant to its principal act shall not exercise  
8 any authorities granted in this part in a manner inconsistent with  
9 any prohibitions or limitations in its principal act unless the  
10 governing board of the local agency makes a finding that the  
11 agency is unable to sustainably manage the basin without the  
12 prohibited authority.

13 (d) The decision of a local agency or combination of agencies  
14 to become a groundwater sustainability agency shall take effect  
15 as provided in Section 10723.8.

16 SEC. 7. Section 10723.6 of the Water Code is amended to read:

17 10723.6. (a) A combination of local agencies may form a  
18 groundwater sustainability agency by using any of the following  
19 methods:

20 (1) A joint powers agreement.

21 (2) A memorandum of agreement or other legal agreement.

22 (b) A water corporation regulated by the Public Utilities  
23 Commission or a mutual water company may participate in a  
24 groundwater sustainability agency through a memorandum of  
25 agreement or other legal agreement. The authority provided by  
26 this subdivision does not confer any additional powers to a  
27 nongovernmental entity.

28 SEC. 8. Section 10723.8 of the Water Code is amended to read:

29 10723.8. (a) Within 30 days of deciding to become or form a  
30 groundwater sustainability agency, the local agency or combination  
31 of local agencies shall inform the department of its decision and  
32 its intent to undertake sustainable groundwater management. The  
33 notification shall include the following information, as applicable:

34 (1) The service area boundaries, the boundaries of the basin or  
35 portion of the basin the agency intends to manage pursuant to this  
36 part, and the other agencies managing or proposing to manage  
37 groundwater within the basin.

38 (2) A copy of the resolution forming the new agency.

39 (3) A copy of any new bylaws, ordinances, or new authorities  
40 adopted by the local agency.

1 (4) A list of interested parties developed pursuant to Section  
2 10723.2 and an explanation of how their interests will be  
3 considered in the development and operation of the groundwater  
4 sustainability agency and the development and implementation of  
5 the agency's sustainability plan.

6 (b) The department shall post all *complete* notices received  
7 under this section ~~in accordance with Section 10733.3.~~ *on its*  
8 *Internet Web site within 15 days of receipt.*

9 (c) The decision to become a groundwater sustainability agency  
10 shall take effect 90 days after the department posts notice under  
11 subdivision (b) if no other local agency submits a notification  
12 under subdivision (a) of its intent to undertake groundwater  
13 management in all or a portion of the same area. If another  
14 notification is filed within the 90-day period, the decision shall  
15 not take effect unless the other notification is withdrawn or  
16 modified to eliminate any overlap in the areas proposed to be  
17 managed. The local agencies shall seek to reach agreement to allow  
18 prompt designation of a groundwater sustainability agency. If  
19 agreement is reached involving a material change from the  
20 information in the posted notice, a new notification shall be  
21 submitted under subdivision (a) and the department shall post  
22 notice under subdivision (b).

23 (d) Except as provided in subdivisions (e) and (f), after the  
24 decision to be a groundwater sustainability agency takes effect,  
25 the groundwater sustainability agency shall be presumed to be the  
26 exclusive groundwater sustainability agency within the area of the  
27 basin within the service area of the local agency that the local  
28 agency is managing as described in the notice.

29 (e) A groundwater sustainability agency may withdraw from  
30 managing a basin by notifying the department in writing of its  
31 intent to withdraw.

32 (f) This section does not preclude the board from taking an  
33 action pursuant to Section 10735.6.

34 SEC. 9. Section 10724 of the Water Code is amended to read:

35 10724. (a) In the event that there is an area within a high- or  
36 medium-priority basin that is not within the management area of  
37 a groundwater sustainability agency, the county within which that  
38 unmanaged area lies will be presumed to be the groundwater  
39 sustainability agency for that area.

1 (b) A county described in subdivision (a) shall provide  
2 notification to the department pursuant to Section 10723.8 unless  
3 the county notifies the department that it will not be the  
4 groundwater sustainability agency for the area. Extractions of  
5 groundwater made on or after July 1, 2017, in that area shall be  
6 subject to reporting in accordance with Part 5.2 (commencing with  
7 Section 5200) of Division 2 if the county does either of the  
8 following:

9 (1) Notifies the department that it will not be the groundwater  
10 sustainability agency for an area.

11 (2) Fails to provide notification to the department pursuant to  
12 Section 10723.8 for an area on or before June 30, 2017.

13 SEC. 10. Section 10726.8 of the Water Code is amended to  
14 read:

15 10726.8. (a) This part is in addition to, and not a limitation  
16 on, the authority granted to a local agency under any other law.  
17 The local agency may use the local agency's authority under any  
18 other law to apply and enforce any requirements of this part,  
19 including, but not limited to, the collection of fees.

20 (b) Nothing in this part shall be construed as authorizing a local  
21 agency to make a binding determination of the water rights of any  
22 person or entity, or to impose fees or regulatory requirements on  
23 activities outside the boundaries of the local agency.

24 (c) Nothing in this part is a limitation on the authority of the  
25 board, the department, or the State Department of Public Health.

26 (d) Notwithstanding Section 6103 of the Government Code, a  
27 state or local agency that extracts groundwater shall be subject to  
28 a fee imposed under this part to the same extent as any  
29 nongovernmental entity.

30 (e) Except as provided in subdivision (d), this part does not  
31 authorize a local agency to impose any requirement on the state  
32 or any agency, department, or officer of the state. State agencies  
33 and departments shall work cooperatively with a local agency on  
34 a voluntary basis.

35 (f) Nothing in this chapter or a groundwater sustainability plan  
36 shall be interpreted as superseding the land use authority of cities  
37 and counties, including the city or county general plan, within the  
38 overlying basin.

39 SEC. 11. Section 10729.2 is added to the Water Code, to read:

1 10729.2. With the exception of regulations required by Sections  
2 10722.2 and 10733.2, a guideline, criterion, bulletin, or other  
3 technical or procedural analysis or guidance prepared by the  
4 department as required by this part is not subject to the  
5 Administrative Procedure Act (Chapter 3.5 (commencing with  
6 Section 11340) of Part 1 of Division 3 of Title 2 of the Government  
7 Code).

8 SEC. 12. Section 10730.2 of the Water Code is amended to  
9 read:

10 10730.2. (a) A groundwater sustainability agency that adopts  
11 a groundwater sustainability plan pursuant to this part may impose  
12 fees on the extraction of groundwater from the basin to fund costs  
13 of groundwater management, including, but not limited to, the  
14 costs of the following:

15 (1) Administration, operation, and maintenance, including a  
16 prudent reserve.

17 (2) Acquisition of lands or other property, facilities, and services.

18 (3) Supply, production, treatment, or distribution of water.

19 (4) Other activities necessary or convenient to implement the  
20 plan.

21 (b) Until a groundwater sustainability plan is adopted pursuant  
22 to this part, a local agency may impose fees in accordance with  
23 the procedures provided in this section for the purposes of Part  
24 2.75 (commencing with Section 10750) as long as a groundwater  
25 management plan adopted before January 1, 2015, is in effect.

26 (c) Fees imposed pursuant to this section shall be adopted in  
27 accordance with subdivisions (a) and (b) of Section 6 of Article  
28 XIII D of the California Constitution.

29 (d) Fees imposed pursuant to this section may include fixed fees  
30 and fees charged on a volumetric basis, including, but not limited  
31 to, fees that increase based on the quantity of groundwater produced  
32 annually, the year in which the production of groundwater  
33 commenced from a groundwater extraction facility, and impacts  
34 to the basin.

35 (e) The power granted by this section is in addition to any  
36 powers a groundwater sustainability agency has under any other  
37 law.

38 SEC. 13. Section 10733.2 of the Water Code is amended to  
39 read:

1 10733.2. (a) (1) By June 1, 2016, the department shall adopt  
2 regulations for evaluating groundwater sustainability plans, the  
3 implementation of groundwater sustainability plans, and  
4 coordination agreements pursuant to this chapter.

5 (2) The regulations shall identify the necessary plan components  
6 specified in Sections 10727.2, 10727.4, and 10727.6 and other  
7 information that will assist local agencies in developing and  
8 implementing groundwater sustainability plans and coordination  
9 agreements.

10 (b) (1) The department may update the regulations, including  
11 to incorporate the best management practices identified pursuant  
12 to Section 10729.

13 (2) The regulations adopted pursuant to paragraph (1) of  
14 subdivision (a) shall identify appropriate methodologies and  
15 assumptions for baseline conditions concerning hydrology, water  
16 demand, regulatory restrictions that affect the availability of surface  
17 water, and unreliability of, or reductions in, surface water deliveries  
18 to the agency or water users in the basin, and the impact of those  
19 conditions on achieving sustainability. The baseline for measuring  
20 unreliability and reductions shall include the historic average  
21 reliability and deliveries of surface water to the agency or water  
22 users in the basin.

23 (c) By June 1, 2016, the department shall adopt regulations for  
24 evaluating alternatives submitted pursuant to Section 10733.6.

25 (d) The department shall adopt the regulations, including any  
26 amendments thereto, authorized by this section as emergency  
27 regulations in accordance with the Administrative Procedure Act  
28 (Chapter 3.5 (commencing with Section 11340) of Part 1 of  
29 Division 3 of Title 2 of the Government Code). The adoption of  
30 these regulations is an emergency and shall be considered by the  
31 Office of Administrative Law as necessary for the immediate  
32 preservation of the public peace, health and safety, or general  
33 welfare. Notwithstanding the Administrative Procedure Act,  
34 emergency regulations adopted by the department pursuant to this  
35 section shall not be subject to review by the Office of  
36 Administrative Law and shall remain in effect until revised by the  
37 department.

38 (e) Before adopting the regulations pursuant to this section, the  
39 department shall conduct three public meetings to consider public  
40 comments. The department shall publish the draft regulations on

1 its Internet Web site at least 30 days before the public meetings.  
2 One meeting shall be conducted at a location in northern California,  
3 one meeting shall be conducted at a location in the central valley  
4 of California, and one meeting shall be conducted at a location in  
5 southern California.

6 ~~SEC. 14. Section 10733.3 of the Water Code is amended to~~  
7 ~~read:~~

8 ~~10733.3. The department shall post all notices it receives~~  
9 ~~pursuant to Section 10723.8 on its Internet Web site within 15~~  
10 ~~days of receipt.~~

11 *SEC. 14. Section 10733.3 of the Water Code is repealed.*

12 ~~10733.3. The department shall post all notices it receives~~  
13 ~~pursuant to Section 10723 or 10723.8 on its Internet Web site~~  
14 ~~within 15 days of receipt.~~

15 SEC. 15. Section 10735.2 of the Water Code is amended to  
16 read:

17 10735.2. (a) The board, after notice and a public hearing, may  
18 designate a high- or medium-priority basin as a probationary basin,  
19 if the board finds one or more of the following applies to the basin:

20 (1) After June 30, 2017, none of the following have occurred:

21 (A) A local agency has decided to become a groundwater  
22 sustainability agency that intends to develop a groundwater  
23 sustainability plan for the entire basin.

24 (B) A collection of local agencies has formed a groundwater  
25 sustainability agency or prepared agreements to develop one or  
26 more groundwater sustainability plans that will collectively serve  
27 as a groundwater sustainability plan for the entire basin.

28 (C) A local agency has submitted an alternative that has been  
29 approved or is pending approval pursuant to Section 10733.6. If  
30 the department disapproves an alternative pursuant to Section  
31 10733.6, the board shall not act under this paragraph until at least  
32 180 days after the department disapproved the alternative.

33 (2) The basin is subject to paragraph (1) of subdivision (a) of  
34 Section 10720.7, and after January 31, 2020, none of the following  
35 have occurred:

36 (A) A groundwater sustainability agency has adopted a  
37 groundwater sustainability plan for the entire basin.

38 (B) A collection of local agencies has adopted groundwater  
39 sustainability plans that collectively serve as a groundwater  
40 sustainability plan for the entire basin.

1 (C) The department has approved an alternative pursuant to  
2 Section 10733.6.

3 (3) The basin is subject to paragraph (1) of subdivision (a) of  
4 Section 10720.7 and after January 31, 2020, the department, in  
5 consultation with the board, determines that a groundwater  
6 sustainability plan is inadequate or that the groundwater  
7 sustainability program is not being implemented in a manner that  
8 will likely achieve the sustainability goal.

9 (4) The basin is subject to paragraph (2) of subdivision (a) of  
10 Section 10720.7, and after January 31, 2022, none of the following  
11 have occurred:

12 (A) A groundwater sustainability agency has adopted a  
13 groundwater sustainability plan for the entire basin.

14 (B) A collection of local agencies has adopted groundwater  
15 sustainability plans that collectively serve as a groundwater  
16 sustainability plan for the entire basin.

17 (C) The department has approved an alternative pursuant to  
18 Section 10733.6.

19 (5) The basin is subject to paragraph (2) of subdivision (a) of  
20 Section 10720.7, and either of the following have occurred:

21 (A) After January 31, 2022, both of the following have occurred:

22 (i) The department, in consultation with the board, determines  
23 that a groundwater sustainability plan is inadequate or that the  
24 groundwater sustainability plan is not being implemented in a  
25 manner that will likely achieve the sustainability goal.

26 (ii) The board determines that the basin is in a condition of  
27 long-term overdraft.

28 (B) After January 31, 2025, both of the following have occurred:

29 (i) The department, in consultation with the board, determines  
30 that a groundwater sustainability plan is inadequate or that the  
31 groundwater sustainability plan is not being implemented in a  
32 manner that will likely achieve the sustainability goal.

33 (ii) The board determines that the basin is in a condition where  
34 groundwater extractions result in significant depletions of  
35 interconnected surface waters.

36 (b) In making the findings associated with paragraph (3) or (5)  
37 of subdivision (a), the department and board may rely on periodic  
38 assessments the department has prepared pursuant to Chapter 10  
39 (commencing with Section 10733). The board may request that  
40 the department conduct additional assessments utilizing the

1 regulations developed pursuant to Chapter 10 (commencing with  
2 Section 10733) and make determinations pursuant to this section.  
3 The board shall post on its Internet Web site and provide at least  
4 30 days for the public to comment on any determinations provided  
5 by the department pursuant to this subdivision.

6 (c) (1) The determination may exclude a class or category of  
7 extractions from the requirement for reporting pursuant to Part 5.2  
8 (commencing with Section 5200) of Division 2 if those extractions  
9 are subject to a local plan or program that adequately manages  
10 groundwater within the portion of the basin to which that plan or  
11 program applies, or if those extractions are likely to have a minimal  
12 impact on basin withdrawals.

13 (2) The determination may require reporting of a class or  
14 category of extractions that would otherwise be exempt from  
15 reporting pursuant to paragraph (1) of subdivision (c) of Section  
16 5202 if those extractions are likely to have a substantial impact on  
17 basin withdrawals or requiring reporting of those extractions is  
18 reasonably necessary to obtain information for purposes of this  
19 chapter.

20 (3) The determination may establish requirements for  
21 information required to be included in reports of groundwater  
22 extraction, for installation of measuring devices, or for use of a  
23 methodology, measuring device, or both, pursuant to Part 5.2  
24 (commencing with Section 5200) of Division 2.

25 (4) The determination may modify the water year or reporting  
26 date for a report of groundwater extraction pursuant to Section  
27 5202.

28 (d) If the board finds that litigation challenging the formation  
29 of a groundwater sustainability agency prevented its formation  
30 before July 1, 2017, pursuant to paragraph (1) of subdivision (a)  
31 or prevented a groundwater sustainability program from being  
32 implemented in a manner likely to achieve the sustainability goal  
33 pursuant to paragraph (2), (3), (4), or (5) of subdivision (a), the  
34 board shall not designate a basin as a probationary basin for a  
35 period of time equal to the delay caused by the litigation.

36 (e) The board shall exclude from probationary status any portion  
37 of a basin for which a groundwater sustainability agency  
38 demonstrates compliance with the sustainability goal.

39 SEC. 16. Section 10735.4 of the Water Code is amended to  
40 read:



1 10735.4. (a) If the board designates a basin as a probationary  
2 basin pursuant to paragraph (1), (2), or (4) of subdivision (a) of  
3 Section 10735.2, a local agency or groundwater sustainability  
4 agency shall have 180 days to remedy the deficiency. The board  
5 may appoint a mediator or other facilitator, after consultation with  
6 affected local agencies, to assist in resolving disputes, and  
7 identifying and implementing actions that will remedy the  
8 deficiency.

9 (b) After the 180-day period provided by subdivision (a), the  
10 board may provide additional time to remedy the deficiency if it  
11 finds that a local agency is making substantial progress toward  
12 remedying the deficiency.

13 (c) The board may develop an interim plan pursuant to Section  
14 10735.8 for the probationary basin at the end of the period provided  
15 by subdivision (a) or any extension provided pursuant to  
16 subdivision (b), if the board, in consultation with the department,  
17 determines that a local agency has not remedied the deficiency  
18 that resulted in designating the basin as a probationary basin.

19 SEC. 17. Section 10735.6 of the Water Code is amended to  
20 read:

21 10735.6. (a) If the board designates a basin as a probationary  
22 basin pursuant to paragraph (3) or (5) of subdivision (a) of Section  
23 10735.2, the board shall identify the specific deficiencies and  
24 identify potential actions to address the deficiencies. The board  
25 may request the department to provide local agencies, within 90  
26 days of the designation of a probationary basin, with technical  
27 recommendations to remedy the deficiencies.

28 (b) The board may develop an interim plan pursuant to Section  
29 10735.8 for the probationary basin one year after the designation  
30 of the basin pursuant to paragraph (3) or (5) of subdivision (a) of  
31 Section 10735.2, if the board, in consultation with the department,  
32 determines that a local agency has not remedied the deficiency  
33 that resulted in designating the basin a probationary basin.

34 SEC. 18. Section 10933 of the Water Code is amended to read:

35 10933. (a) The department shall commence to identify the  
36 extent of monitoring of groundwater elevations that is being  
37 undertaken within each basin and subbasin.

38 (b) The department shall prioritize groundwater basins and  
39 subbasins for the purpose of implementing this section. In

- 1 prioritizing the basins and subbasins, the department shall, to the  
2 extent data are available, consider all of the following:
- 3 (1) The population overlying the basin or subbasin.
  - 4 (2) The rate of current and projected growth of the population  
5 overlying the basin or subbasin.
  - 6 (3) The number of public supply wells that draw from the basin  
7 or subbasin.
  - 8 (4) The total number of wells that draw from the basin or  
9 subbasin.
  - 10 (5) The irrigated acreage overlying the basin or subbasin.
  - 11 (6) The degree to which persons overlying the basin or subbasin  
12 rely on groundwater as their primary source of water.
  - 13 (7) Any documented impacts on the groundwater within the  
14 basin or subbasin, including overdraft, subsidence, saline intrusion,  
15 and other water quality degradation.
  - 16 (8) Any other information determined to be relevant by the  
17 department, including adverse impacts on local habitat and local  
18 streamflows.
- 19 (c) If the department determines that all or part of a basin or  
20 subbasin is not being monitored pursuant to this part, the  
21 department shall do all of the following:
- 22 (1) Attempt to contact all well owners within the area not being  
23 monitored.
  - 24 (2) Determine if there is an interest in establishing any of the  
25 following:
    - 26 (A) A groundwater sustainability plan pursuant to Part 2.74  
27 (commencing with Section 10720).
    - 28 (B) A groundwater management plan pursuant to Part 2.75  
29 (commencing with Section 10750).
    - 30 (C) An integrated regional water management plan pursuant to  
31 Part 2.2 (commencing with Section 10530) that includes a  
32 groundwater management component that complies with the  
33 requirements of Section 10753.7.
    - 34 (D) A voluntary groundwater monitoring association pursuant  
35 to Section 10935.
  - 36 (d) If the department determines that there is sufficient interest  
37 in establishing a plan or association described in paragraph (2) of  
38 subdivision (c), or if the county agrees to perform the groundwater  
39 monitoring functions in accordance with this part, the department

1 shall work cooperatively with the interested parties to comply with  
2 the requirements of this part within two years.

3 (e) If the department determines, with regard to a basin or  
4 subbasin, that there is insufficient interest in establishing a plan  
5 or association described in paragraph (2) of subdivision (c), and  
6 if the county decides not to perform the groundwater monitoring  
7 and reporting functions of this part, the department shall do all of  
8 the following:

9 (1) Identify any existing monitoring wells that overlie the basin  
10 or subbasin that are owned or operated by the department or any  
11 other state or federal agency.

12 (2) Determine whether the monitoring wells identified pursuant  
13 to paragraph (1) provide sufficient information to demonstrate  
14 seasonal and long-term trends in groundwater elevations.

15 (3) If the department determines that the monitoring wells  
16 identified pursuant to paragraph (1) provide sufficient information  
17 to demonstrate seasonal and long-term trends in groundwater  
18 elevations, the department shall not perform groundwater  
19 monitoring functions pursuant to Section 10933.5.

20 (4) If the department determines that the monitoring wells  
21 identified pursuant to paragraph (1) provide insufficient  
22 information to demonstrate seasonal and long-term trends in  
23 groundwater elevations, the department shall perform groundwater  
24 monitoring functions pursuant to Section 10933.5.

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