

BOARD OF DIRECTORS EAST BAY MUNICIPAL UTILITY DISTRICT

375 - 11th Street, Oakland, CA 94607

Office of the Secretary: (510) 287-0440

Notice of Time and Location Change

LEGISLATIVE/HUMAN RESOURCES COMMITTEE MEETING Tuesday, February 9, 2021 8:30 a.m. **Virtual**

Notice is hereby given that the Tuesday, February 9, 2021 Legislative/Human Resources Committee Meeting of the Board of Directors has been rescheduled from 10:15 a.m. to 8:30 a.m.

Due to COVID-19 and in accordance with the most recent Alameda County Health Order, and with the Governor's Executive Order N-29-20 which suspends portions of the Brown Act, **this meeting will be conducted via webinar or teleconference only**. In compliance with said orders, a physical location will not be provided for this meeting. These measures will only apply during the period in which state or local public health officials have imposed or recommended social distancing.

Dated: February 4, 2021

Kulla S. Cole

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Secretary of the District

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BOARD OF DIRECTORS EAST BAY MUNICIPAL UTILITY DISTRICT

375 – 11th Street, Oakland, CA 94607

Office of the Secretary: (510) 287-0440

AGENDA

Legislative/Human Resources Committee Tuesday, February 9, 2021

8:30 a.m.

Virtual

Location

Due to COVID-19 and in accordance with the most recent Alameda County Health Order, and with the Governor's Executive Order N-29-20 which suspends portions of the Brown Act, **this meeting will be conducted by webinar or teleconference only.** In compliance with said orders, a physical location will not be provided for this meeting. These measures will only apply during the period in which state or local public health officials have imposed or recommended social distancing.

Committee Members John A. Coleman {Chair}, Lesa R. McIntosh, and William B. Patterson will participate by webinar or teleconference

*** Please see appendix for public participation instructions***

ROLL CALL:

PUBLIC COMMENT: The Board of Directors is limited by State law to providing a brief response, asking questions for clarification, or referring a matter to staff when responding to items that are not listed on the agenda.

DETERMINATION AND DISCUSSION:

1. Legislative Update:

(Dumaine)

- Receive Legislative Report No. 02-21 and consider positions on the following bills: AB 100 (Holden) Drinking Water: Pipes and Fittings: Lead Content; and SB 61 (Hurtado) Workforce Training Programs: Supportive Services; and receive information on: SB 222 (Dodd) Water Affordability Assistance Program; SB 223 (Dodd) Discontinuation of Residential Water Service; and State and Federal Government Actions Related to the Coronavirus Disease 2019 (COVID-19)
- Update on Legislative Issues of Interest to EBMUD

ADJOURNMENT:

Disability Notice

If you require a disability-related modification or accommodation to participate in an EBMUD public meeting please call the Office of the Secretary (510) 287-0404. We will make reasonable arrangements to ensure accessibility. Some special equipment arrangements may require 48 hours advance notice.

Document Availability

Materials related to an item on this agenda that have been submitted to the EBMUD Board of Directors within 72 hours prior to this meeting are available for public inspection in EBMUD's Office of the Secretary at 375 11th Street, Oakland, California, during normal business hours, and can be viewed on our website at www.ebmud.com.



Legislative/Human Resources Committee Meeting Tuesday, February 9, 2021 8:30 a.m.

EBMUD public Board meetings will be conducted via Zoom. *Board committee meetings are recorded, and live-streamed on the District's website.*

Please visit this page beforehand to familiarize yourself with Zoom. https://support.zoom.us/hc/en-us/articles/201362193-Joining-a-Meeting

Online

https://ebmud.zoom.us/j/96739391577?pwd=SzNlenJJY0RFUDV4ZTU1UXNkZXY0UT09

Webinar ID: 967 3939 1577

Passcode: 649469

By Phone

Telephone: 1 669 900 6833 **Webinar ID:** 967 3939 1577

Passcode: 649469

International numbers available: https://ebmud.zoom.us/u/acf7di6vq

Providing public comment

The EBMUD Board of Directors is limited by State law to providing a brief response, asking questions for clarification, or referring a matter to staff when responding to items that are not listed on the agenda.

If you wish to provide public comment please:

- Use the raise hand feature in Zoom to indicate you wish to make a public comment https://support.zoom.us/hc/en-us/articles/205566129-Raising-your-hand-in-a-webinar
 - o If you participate by phone, press *9 to raise your hand
- When prompted by the Secretary, please state your name, affiliation if applicable, and topic
- The Secretary will call each speaker in the order received
- Comments on **non-agenda items** will be heard at the beginning of the meeting
- Comments on **agenda items** will be heard when the item is up for consideration
- Each speaker is allotted 3 minutes to speak; the Committee Chair has the discretion to amend this time based on the number of speakers
- The Secretary will keep track of time and inform each speaker when his/her allotted time has concluded

To *observe* the Legislative/Human Resources Committee Meeting, please visit: https://www.ebmud.com/about-us/board-directors/board-meetings/

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: February 4, 2021

MEMO TO: Board of Directors

THROUGH: Clifford C. Chan, General Manager

FROM: Marlaigne Dumaine, Manager of Legislative Affairs 4

SUBJECT: Legislative Report No. 02-21

The following issues are being referred to the Legislative/Human Resources Committee for review and recommendation to the Board of Directors for action, as appropriate, on February 9, 2021.

RECOMMENDED ACTION

Approve positions on the following bills: 1) Support AB 100 (Holden) Drinking water: pipes and fittings: lead content; 2) Support SB 61 (Hurtado) Workforce training programs: supportive services; and receive information on: 1) SB 222 (Dodd) Water Affordability Assistance Program; 2) SB 223 (Dodd) Discontinuation of residential water service; and 3) State and Federal Government Actions Related to the Coronavirus Disease 2019 (COVID-19).

STATE LEGISLATION

RECOMMENDED POSITION

AB 100 DRINKING WATER: PIPES AND (Holden) FITTINGS: LEAD CONTENT

SUPPORT

Existing law generally prohibits the use of any pipe, pipe or plumbing fitting or fixture, solder, or flux that is not lead-free in the installation or repair of any public water system or any plumbing in a facility providing water for human consumption. In addition, "lead free" is defined, for purposes of manufacturing, industrial processing, or conveying or dispensing water for human consumption, to mean not more than 0.2% lead when used with respect to solder and flux and not more than a weighted average of 0.25% lead when used with respect to the wetted surfaces of pipes and pipe fittings, plumbing fittings, and fixtures. In addition, all plumbing components must be tested and certified to ensure they meet certain performance standards.

AB 100 (Holden), as introduced on December 11, 2020, is intended to bolster existing law (EBMUD's sponsored landmark "Get the Lead Out" legislation) that limits the amount of lead in plumbing fixtures by strengthening the performance standard that endpoint devices must comply with. Under AB 100, to be considered "lead-free," endpoint plumbing devices such as faucets, fixtures, and water fountains, would generally be prohibited from leaching more than one

microgram of lead per liter of water. AB 100 is substantially similar to AB 2060 (Holden), which EBMUD supported, that failed to advance out of the legislature last year.

According to the U.S. Environmental Protection Agency (U.S. EPA), there is "no known safe level of lead in a child's blood." For infants and children, exposure to lead can result in delays in physical and/or mental development. Lead exposure in adults can result in kidney problems and/or high blood pressure. The U.S. EPA estimates that 10 to 20 percent of human exposure from lead may come from lead in drinking water.

Currently all pipes, pipe fittings, plumbing fittings, and fixtures must be certified by an independent third party, such as NSF International, as being in compliance with the "lead free" standard. In addition, to be certified for use in drinking water NSF International requires that endpoint devices comply with a performance standard of leaching no more than five micrograms of lead per liter of water under specific testing conditions. NSF International also has an optional, more stringent performance standard of leaching no more than one microgram per liter under the testing conditions. NSF International is expected to make this optional standard mandatory by 2024. AB 100 would make this more stringent standard mandatory in California, prior to NSF International's expected 2024 date.

The intent of AB 100, to help protect Californians from lead exposure, is consistent with EBMUD's efforts to reduce lead exposure in drinking water, including EBMUD's sponsorship of prior legislation. AB 100 builds on existing law that reduced the allowable amount of lead in pipes and fixtures and helps reduce lead exposure in drinking water by codifying and accelerating the implementation of a more stringent performance standard that will reduce the amount of lead that endpoint devices may leach to be considered "lead free" and reflects the availability of improved endpoint devices.

With regard to anticipated costs and benefits to EBMUD and its ratepayers, benefits are expected to accrue in terms of reducing the amount of lead that may be leached into drinking water. Some minor additional costs may accrue if prices increase for endpoint devices that EBMUD uses. The environmental and public health benefit to EBMUD and its ratepayers from reducing lead exposure is expected to outweigh the anticipated costs.

EBMUD has historically supported measures to protect public health by reducing exposure to lead in drinking water. In 2020, EBMUD supported AB 2060 (Holden), which was substantially similar to AB 100. AB 2060 failed to advance out of the legislature. In 2018, EBMUD supported AB 2370 (Holden) to establish new drinking water testing requirements for licensed child care centers. AB 2370 was signed into law (Chapter 626 of 2018). In 2006, EBMUD sponsored California's landmark "Get The Lead Out" legislation, AB 1953 (Chan), that was signed into law (Chapter 853 of 2006), which reduced the allowable lead content in pipes and plumbing fixtures from 8% to 0.25%, a level that virtually eliminates lead contamination in faucets and drinking water, and prohibited the sale of plumbing components after 2010 not meeting the lower lead content standard.

An official support/opposition list for AB 100 is not currently available.

SB 61 WORKFORCE TRAINING PROGRAMS: SUPPORT (Hurtado) SUPPORTIVE SERVICES

Under existing law the California Workforce Development Board (CWDB) is responsible for assisting the governor in the development, oversight, and continuous improvement of California's workforce investment system and the alignment of the education and workforce investment systems to the needs of the 21st century economy and workforce. The CWDB oversees various training partnerships, including the High Road Training Partnerships initiative, a demonstration project to model partnership strategies for the state among various industry sectors.

SB 61 (Hurtado), as introduced December 7, 2020, is a workforce development bill intended to implement a recommendation made by the Lifting Children and Families Out of Poverty Task Force (Task Force) regarding the need to fund supportive services for low-income workforce participants to ensure they can fully participate in training programs. SB 61 is substantially similar to SB 1103 (Hurtado) from 2020, which EBMUD supported, that failed to advance out of the legislature.

The bill would mainly require the CWDB to establish the Lifting Families Out of Poverty Supportive Services Program and make \$50 million in grants available, upon appropriation by the legislature, to consortiums, as defined in the bill, that enroll and support low-income individuals in workforce training programs. Grants would be used for supportive services including childcare, transportation, or other services identified by the state or local workforce development board as necessary to enable an individual to successfully participate in a High Road Training Partnerships initiative program or other similar workforce programs.

According to the CWDB, the High Road Training Partnerships initiative is a \$10 million demonstration project designed to model partnership strategies for the state. The CWDB notes that "the industry-based worker-focused training partnerships build skills for California's 'high-road' employers — firms that compete based on quality of product and service achieved through innovation and investment in human capital, and can thus generate family-supporting jobs where workers have agency and voice."

Last year the bill's author noted that, "workforce training programs have a proven foundational impact on disrupting the cycle of poverty by improving upward mobility and increasing positive adult outcomes for children living in poverty. However, the Task Force reported that many low-income workforce training participants do not complete their programs, often due to a lack of childcare or affordable transportation." This program is intended to help individuals complete workforce development training programs.

The High Road Training Partnerships initiative currently provides funding to a partnership between Jewish Vocational Service (JVS) and BAYWORK (a collaboration of Bay Area water and wastewater agencies, including EBMUD, which promotes workforce development in the water and wastewater industries) to implement workforce development for Bay Area jobseekers

interested in pursuing careers in the water and wastewater industries. Under SB 61, the joint JVS and BAYWORK High Road Training Partnerships initiative program (the Water Utilities Career Pathways Project), or similar workforce training programs, would potentially be eligible for grants to assist participants with supportive services such as childcare and transportation.

The intent of SB 61 to provide assistance to individuals seeking to complete workforce training programs is consistent with EBMUD's workforce development and training efforts, including EBMUD's participation in BAYWORK. The bill would not result in additional costs to EBMUD, and could potentially benefit EBMUD by expanding the pool of individuals completing the JVS and BAYWORK program, or other workforce training programs, and applying for jobs with EBMUD.

EBMUD has previously supported workforce-related legislation. In 2020, EBMUD supported SB 1103 (Hurtado), which was substantially similar to SB 61. SB 1103 failed to advance out of the legislature. In 2019, EBMUD supported AB 1588 (Gloria) that provided military veterans a process to receive credit for equivalent education and experience when seeking California certifications as water or wastewater facility operators. AB 1588 was signed into law (Chapter 760 of 2019).

An official support/opposition list for SB 61 is not currently available.

SB 222 WATER AFFORDABILITY INFORMATION (Dodd) ASSISTANCE PROGRAM

Existing law, as created under AB 401 (Dodd), requires the State Water Resources Control Board (SWRCB) to develop a plan for the funding and implementation of the Low-Income Water Rate Assistance Program and to provide a report to the legislature on the feasibility, financial stability, and desired structure of the program, including any recommendations for legislative action that may need to be taken. This report, referred to as the AB 401 report, was finalized in February 2020.

SB 222 (Dodd), as introduced, would do two primary things: (1) establish a Water Affordability Assistance Fund (Fund) in the state treasury to be administrated by the SWRCB; and (2) require the California Public Utilities Commission (CPUC) to establish a mechanism for electrical corporations and gas corporations to regularly share California Alternative Rates for Energy (CARE) and Family Electric Rate Assistance (FERA) program customer data with the SWRCB.

Fund

The stated purpose of the Fund would be to provide:

- "direct water bill assistance";
- "water bill credits to renters and individuals or households that pay other amounts, fees, or charges related to residential water or wastewater service";
- "water crisis assistance":

- "affordability assistance to low-income households served by domestic wells";
- "water efficiency measures for low-income households"; and
- "short-term assistance to public water systems to administer program components, including initial startup costs."

SB 222 would require the SWRCB to maintain the Fund as a separate account and develop a process for disbursing money to public water systems or third party providers. The SWRCB would also be required to develop program oversight procedures, and, in consultation with an advisory group, develop program guidelines and an annual fund expenditure plan. The advisory group would include representatives of public water systems, technical assistance providers, local agencies, nongovernmental organizations, and the public.

The fund expenditure plan would be required to include:

- key terms, criteria, and metrics;
- a description of how proposed remedies will be identified, evaluated, prioritized, and included in the annual fund expenditure plan;
- a report on expenditures from the Fund for the prior fiscal year and planned expenditures for the current fiscal year;
- an estimate of the number of households eligible for assistance, including those that do not receive a direct bill for water;
- a discussion of water affordability challenges and proposed solutions for Californians served by state small water systems, local small water systems, and domestic wells;
- an estimate of the funding needed for the next fiscal year;
- the funding need of disadvantaged communities and low-income households whose water bill charges pose affordability challenges based on metrics developed by the SWRCB and CPUC; and
- an analysis with metrics to evaluate how expenditures from prior fiscal years improved affordability.

Under SB 222, if money is deposited into the Fund before an annual expenditure plan is adopted, the SWRCB would be required to spend the money to provide "water crisis assistance" to low-income households through direct assistance, forgiveness of delinquency by the public water system with reimbursement to be provided by the SWRCB, or some other disbursement mechanism.

In administering the Fund program, the SWRCB would be required to:

- collect and ensure the accuracy of water rate data and water system boundary data from each public water system;
- develop performance metrics for the program, such as enrollment levels, total water shutoffs for inability to pay, and on-time payment levels;
- oversee a public water system's implementation of the program;

- identify alternative entities to distribute and track benefits if a public water system is
 unwilling to do so or if the SWRCB has determined a public water system is incapable of
 administering the program;
- coordinate with other state agencies and resolve disputes as necessary; and
- coordinate with the CPUC on existing rate assistance programs for investor-owned water utilities.

CARE and FERA data

The CARE and FERA programs provide assistance to enrolled low-income customers of investor-owned natural gas and electric corporations. These programs are overseen by the CPUC and administered locally by the investor-owned gas and/or electric corporation that serves an area. In addition, publicly owned electric and gas utilities, which are not generally regulated by the CPUC, may administer customer assistance programs in the areas served by these agencies that are not under the CARE or FERA program umbrella.

SB 222 would require the CPUC to establish a mechanism for gas and electrical corporations to share data with the SWRCB on those utility customers enrolled in the CARE and FERA programs. In addition, SB 222 would allow the SWRCB to require locally publicly owned utilities and municipal utility districts to share data regarding customers enrolled in customer assistance programs.

Next Steps

Staff will assess this measure in the context of EBMUD's customer assistance efforts and engage with stakeholders, as appropriate, as this measure evolves. Staff will bring the measure back to the Board for consideration at a future meeting.

SB 223 DISCONTINUATION OF RESIDENTIAL INFORMATION (Dodd) WATER SERVICE

Existing law, as established by SB 998 (Dodd), prohibits a water system with more than 200 service connections from discontinuing residential water service for nonpayment until a payment by a customer has been delinquent for at least 60 days. Existing law requires a water system to have a written policy on discontinuation of residential service for nonpayment and to provide notice of that policy to customers.

SB 223 would do two primary things. First, SB 223 would build on the water service discontinuation-related requirements established by SB 998. Second, SB 223 would require the California Public Utilities Commission (CPUC) to establish a mechanism for electrical corporations and gas corporations to regularly share California Alternative Rates for Energy (CARE) and Family Electric Rates Assistance (FERA) program customer data with water agencies.

Revising SB 998

SB 223 would revise the conditions under which a water agency is prohibited from discontinuing residential service for nonpayment. SB 223 would:

- add a 12-month repayment timeline to the requirement that a water agency provide a plan for deferred or reduced payments;
- add an arrearage management plan that includes debt forgiveness;
- extend the required minimum delinquency time requirement from 60 to 120 days and add to that delinquency time requirement that a minimum of \$400 in delinquent water charges must be accrued;
- prioritize water charges for partial payments on combined bills and prohibit a service discontinuation when an amount equal to the water use charges of the bill has been paid;
- place limits on the use of liens;
- place a moratorium on all shutoffs during a state or local emergency;
- expand shutoff exemptions to include households with a person under the age of 18 or over the age of 65;
- allow for self-certification for exemptions based on medical conditions or age criteria;
- add enrollment in CARE or FERA to the criteria used to determine whether a household is unable to pay and thus not subject to a service discontinuation;
- add a customer choice element to selection of the payment arrangement method; and
- prohibit the discontinuation of water service for nonpayment to a master-metered multifamily residence with at least four units or to a master-metered mobile home park.

SB 223 would also require that water systems with the capacity to perform water audits offer free water audits to low-income households with water use above the annual average volume use for the applicable customer class.

With regard to fees, SB 223 would eliminate fees for households with incomes at below 200 percent of the federal poverty level by:

- replacing the reconnection fee limits of \$50 and \$150, as established by SB 998, with a waiver on all reconnection fees; and
- requiring that all late fees and penalties be waived once every 12 months.

SB 223 would also expand SWRCB reporting requirements and enforcement authority by:

- adding zip code data, time to service restoration, account delinquency information, and customer assistance program participation levels to the SB 998 service discontinuation reporting requirements; and
- extending SB 998's enforcement authority by the attorney general to also include enforcement by the SWRCB.

CARE and FERA data

The CARE and FERA programs provide assistance to enrolled low-income customers of investor-owned natural gas and electric corporations. These programs are overseen by the CPUC and administered locally by the investor-owned gas and/or electric corporation that serves an area.

SB 223 would require the CPUC to establish a mechanism for investor-owned gas and electrical corporations to share data with water agencies on those utility customers enrolled in the CARE and FERA programs.

Next Steps

Staff will assess this measure in the context of EBMUD's customer assistance efforts and engage with stakeholders, as appropriate, as this measure evolves. Staff will bring the measure back to the Board for consideration at a future meeting.

STATE AND FEDERAL GOVERNMENT ACTIONS RELATED TO THE CORONAVIRUS DISEASE 2019 (COVID-19)

INFORMATION

An overview of key state and federal actions taken in response to the COVID-19 pandemic since Legislative Report No. 01-21, which was reviewed by the Board on January 12, is provided below.

State Government Actions

Subsequent to the writing of Legislative Report No. 01-21, two executive orders relative to COVID-19 have been issued. None are of direct interest to EBMUD.

In addition, in late January, the legislature passed and the governor signed two budget trailer bills, SB 89 (Skinner) and SB 91 (Committee on Budget and Fiscal Review), to assist tenants and small business owners impacted by COVID-19. SB 89 and SB 91 went into effect on January 29, 2021.

SB 89 makes technical changes to the state budget to allow the state to allocate and expend \$1.5 billion in federal funding for rental assistance.

SB 91 does two primary things: 1) extends until June 30, 2021, an eviction moratorium that would have expired on January 31, 2021; and 2) establishes the State Rental Assistance Program (Program) through which \$1.5 billion of federal funding for rental assistance will be allocated. Separate from the \$1.5 billion allocated to the state, additional federal funding of approximately \$1 billion will be allocated from the federal government directly to cities and counties with populations of 200,000 and above.

Among other things, SB 91 does the following:

- allocates funding to cities and counties based on population;
- sets forth priorities for allocation of the assistance funding;
- provides that eligible uses for the funds include rental arrears, prospective rent payments, and "utilities, including arrears and prospective payments for utilities" with priority given to rental arrears;
- permits the Department of Housing and Community Development to contract with a vendor to implement the Program;
- provides that localities with populations over 500,000 will receive block grants, localities with populations between 200,000 and 500,000 may elect to receive block grants or may opt to have their allocation administered by the program implementer, and localities with populations of less than 200,000 will have their funding allocation administered by the program implementer;
- provides that assistance for rental arrears is limited to 80 percent of a household's unpaid rental debt accumulated from April 1, 2020, to March 31, 2021, conditioned upon the landlord's agreement to forgive the remaining rental debt owed by any tenant within the eligible household for whom rental assistance is being provided; and
- allows a member of an eligible household to apply directly for assistance with rental arrears if a landlord refuses to participate in the Program.

Federal Government Actions

Congress continues to discuss additional COVID-19-related relief and economic stimulus.

Next Steps

Staff is continuing to pursue funding eligibility for EBMUD under federal COVID-19 relief packages, including the state implementation of the funding allocations, and is engaged in discussions regarding future federal stimulus efforts. Staff will continue to monitor state and federal government actions in response to COVID-19 and engage as warranted. Staff will continue to provide updates to the Board, as appropriate.

CCC:MD:DM/JW

Attachment

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Introduced by Assembly Member Holden

December 11, 2020

An act to amend Sections 25214.4.3 and 116875 of the Health and Safety Code, relating to drinking water.

LEGISLATIVE COUNSEL'S DIGEST

AB 100, as introduced, Holden. Drinking water: pipes and fittings: lead content.

Existing law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. The act prohibits, with certain exceptions, the use of any pipe, pipe or plumbing fitting or fixture, solder, or flux that is not lead free in the installation or repair of any public water system or any plumbing in a facility providing water for human consumption. The act defines "lead free" for purposes of conveying or dispensing water for human consumption to mean not more than 0.2% lead when used with respect to solder and flux and not more than a weighted average of 0.25% lead when used with respect to the wetted surfaces of pipes and pipe fittings, plumbing fittings, and fixtures.

This bill would additionally define "lead free," with respect to endpoint devices, as defined, to mean that the devices do not leach more than one microgram of lead under certain tests and meeting a specified certification.

Existing law requires the Department of Toxic Substances Control, based on its available resources and staffing, to annually select no more than 75 drinking water faucets or other drinking water plumbing fittings

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and fixtures for testing and evaluation, including the locations from which to select the faucets, fittings, and fixtures, to determine compliance with the above-specified lead plumbing standards.

This bill would require the department, when evaluating an endpoint device's compliance with the above-specified definition of "lead free" that the bill would establish, to base its evaluation upon specified documentation that demonstrates certification that the endpoint device does not leach more than one microgram of lead under certain tests.

The bill would also make nonsubstantive changes.

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

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

SECTION 1. Section 25214.4.3 of the Health and Safety Code is amended to read:

25214.4.3. (a) Lead plumbing monitoring and compliance testing shall be undertaken by the department, as a part of the department's ongoing program for reducing toxic substances from the environment.

- (b) For purposes of implementing this article, the department shall, based on its available resources and staffing, annually select not more than 75 drinking water faucets or other drinking water plumbing fittings and fixtures for testing and evaluation, including the locations from which to select the faucets, fittings, and fixtures, to determine compliance with Section 116875.
- (c) In implementing this article, the department shall use test methods, protocols, and sample preparation procedures that are adequate to determine total lead concentration in a drinking water plumbing fitting or fixture to determine compliance with the standards for the maximum allowable total lead content set forth in Section 116875.
- (d) (1) In selecting drinking water faucets and other drinking water plumbing fittings and fixtures to test and evaluate pursuant to this article, the department shall exercise its judgment regarding the specific drinking water plumbing fittings or fixtures to test.
- 23 (2) This article does not require the department's selection to 24 be either random or representative of all available plumbing fittings 25 or fixtures.

-3— AB 100

(3) The department shall acquire its samples of fittings and fixtures from locations that are readily accessible to the public at either retail or wholesale sources.

- (4) When evaluating an endpoint device's compliance with clause (ii) of subparagraph (B) of paragraph (2) of subdivision (e) of Section 116875, the department shall base its evaluation upon documentation developed by an American National Standards Institute (ANSI) accredited third party that demonstrates that the ANSI accredited third party has certified that the endpoint device does not leach more than one microgram of lead for test statistic Q or R, when normalized for a first draw sample up to or equal to one liter in volume, as calculated in accordance with the 2020 NSF International/ANSI Standard 61, effective June 2020.
- (e) The department shall annually post the results of the testing and evaluation conducted pursuant to this article on its—Internet Web site internet website and shall transmit these results in an annual report to the State Department of Public Health.
- SEC. 2. Section 116875 of the Health and Safety Code is amended to read:
- 116875. (a) No-A person shall *not* use any pipe, pipe or plumbing fitting or fixture, solder, or flux that is not lead free in the installation or repair of any public water system or any plumbing in a facility providing water for human consumption, except when necessary for the repair of leaded joints of cast iron pipes.
- (b) (1) No-A person shall *not* introduce into commerce any pipe, pipe or plumbing fitting, or fixture intended to convey or dispense water for human consumption through drinking or cooking that is not lead free, as defined in *subparagraph* (A) of paragraph (2) of subdivision (e). This includes kitchen faucets, bathroom faucets, and any other end-use endpoint devices intended to convey or dispense water for human consumption through drinking or cooking, but excludes service saddles, backflow preventers for nonpotable services such as irrigation and industrial, and water distribution main gate valves that are two inches in diameter and above.
- (2) Pipes, pipe or plumbing fittings, or fixtures that are used in manufacturing, industrial processing, for irrigation purposes, and any other uses where the water is not intended for human

AB 100 —4—

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1 consumption through drinking or cooking are not subject to the 2 requirements of paragraph (1).

- (3) For all purposes other than manufacturing, industrial processing, or to convey or dispense water for human consumption, "lead free" is defined in subdivision (f).
- (c) No-A person engaged in the business of selling plumbing supplies, except manufacturers, shall *not* sell solder or flux that is not lead free.
- (d) No-A person shall *not* introduce into commerce any solder or flux that is not lead free unless the solder or flux bears a prominent label stating that it is illegal to use the solder or flux in the installation or repair of any plumbing providing water for human consumption.
- (e) For—the purposes of this section,—"lead the following definitions apply:
- (1) (A) "Endpoint device" means a single device typically installed within the last one liter of the water distribution system of a building. An endpoint device includes all of the following:
 - (i) Remote chillers.
- 20 (ii) Lavatory faucets.
- 21 (iii) Bar faucets.
 - (iv) Kitchen faucets.
- 23 (v) Hot and cold water dispensers.
- 24 (vi) Drinking fountains.
- 25 (vii) Drinking fountain bubblers.
- 26 (viii) Water coolers.
- 27 (ix) Glass fillers.
- 28 (x) Residential refrigerator ice makers.
- 29 (B) An endpoint device does not include either of the following:
 - (i) Devices specifically exempted from section nine, "Mechanical
- 31 Plumbing Devices," of the 2020 NSF International/American
- 32 National Standards Institute (ANSI) Standard 61, effective June 33 2020.
- (ii) Devices the 2020 NSF International/ANSI Standard 61,
 effective June 2020, subjects to a different lead leaching standard
 or normalization requirement than that specified in clause (ii) of
 subparagraph (B) of paragraph (2).
- 38 (2) (A) "Lead free" means not more than 0.2 percent lead when 39 used with respect to solder and flux and not more than a weighted 40 average of 0.25 percent *lead* when used with respect to the wetted

5 AB 100

surfaces of pipes and pipe fittings, plumbing fittings, and fixtures. The weighted average lead content of a pipe and pipe fitting, plumbing fitting, and fixture shall be calculated by using the following formula: The percentage of lead content within each component that comes into contact with water shall be multiplied by the percent of the total wetted surface of the entire pipe and pipe fitting, plumbing fitting, or fixture represented in each component containing lead. These percentages shall be added and the sum shall constitute the weighted average lead content of the

- (B) When used with respect to endpoint devices, "lead free" means that the device satisfies both of the following:
 - (i) The requirements of subparagraph (A).

pipe and pipe fitting, plumbing fitting, or fixture.

- (ii) The device does not leach more than one microgram of lead for test statistic Q or R, when normalized for a first draw sample up to or equal to one liter in volume, as calculated in accordance with the 2020 NSF International Standard 61, effective June 2020, and certified by an ANSI accredited third party.
- (f) For-the purposes of paragraph (3) of subdivision (b), "lead free," consistent with the requirements of federal law, means not more than 0.2 percent lead when used with respect to solder and flux and not more than 8 percent *lead* when used with respect to pipes and pipe fittings. With respect to plumbing fittings and fixtures, "lead free" means not more than 4 percent *lead* by dry weight after August 6, 2002, unless the department state board has adopted a standard, based on health effects, for the leaching of lead.
- (g) (1) All pipe, pipe or plumbing fittings or fixtures, solder, or flux shall be certified by an independent American National Standards Institute (ANSI) ANSI accredited third party, including, but not limited to, NSF International, as being in compliance with this section.
- (2) (A) The certification described in paragraph (1) shall, at a minimum, include testing of materials in accordance with the protocols used by the Department of Toxic Substances Control in implementing Article 10.1.2 (commencing with Section 25214.4.3) of Chapter 6.5 of Division 20.
- (B) The certification required pursuant to this subdivision shall not interfere with either the department's state board's exercise of its independent authority to protect public health pursuant to

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this section, or the Department of Toxic Substances Control's
exercise of its independent authority to implement Article 10.1.2
(commencing with Section 25214.4.3) of Chapter 6.5 of Division
20.

- (3) It is the intent of the Legislature that this subdivision only provide guidance and assistance to the entities that use an independent ANSI accredited third party to demonstrate compliance with this section. Any tests developed by an independent ANSI accredited third party in accordance with this subdivision shall have no weight of authority under California statute.
- (4) Notwithstanding paragraph (1), the department state board shall retain its independent authority in administering this article.
- (h) This section shall become operative on January 1, 2010. The requirement described in subdivision (g) shall not be construed in any manner as to justify a delay in compliance with the lead-free lead free standard set forth in subparagraph (A) of paragraph (2) of subdivision (e).

Introduced by Senator Hurtado

December 7, 2020

An act to add Article 4.5 (commencing with Section 14050) to Chapter 3 of Division 7 of the Unemployment Insurance Code, relating to job training.

LEGISLATIVE COUNSEL'S DIGEST

SB 61, as introduced, Hurtado. Workforce training programs: supportive services.

The California Workforce Innovation and Opportunity Act establishes the California Workforce Development Board as the body responsible for assisting the Governor in the development, oversight, and continuous improvement of California's workforce investment system and the alignment of the education and workforce investment systems to the needs of the 21st century economy and workforce. That act requires the establishment of a local workforce development board in each local workforce development area of the state to assist the local chief elected official in planning, oversight, and evaluation of local workforce investment. The act requires local boards to carry out specific tasks consistent with the federal Workforce Innovation and Opportunity Act, including, with representatives of secondary and postsecondary education programs, to lead efforts in the local area to develop and implement career pathways within the local area by aligning the employment, training, education, and supportive services that are needed by adults and youth, particularly individuals with barriers to employment.

The act also provides for training partnerships that are overseen by the board, including the High Road Training Partnerships initiative, a $SB 61 \qquad \qquad -2-$

demonstration project to model partnership strategies for the state among various industry sectors.

This bill would require the California Workforce Development Board to establish and administer the Lifting Families Out of Poverty Supportive Services Program. The bill would require the board, upon appropriation by the Legislature for that purpose, to make \$50,000,000 in grants available to consortia, composed of combinations of local workforce development boards, community colleges, or other stakeholders, that apply for funding to provide supportive services, as defined, and are approved in accordance with the bill.

The bill would require the California Workforce Development Board to develop criteria, policies, and guidelines for the award of supportive service grant funds to a consortium consistent with the bill. The bill would require a consortium to apply for a grant by submitting a plan with prescribed elements to the board, and would authorize the board to approve the submitted plan and award grant funds to a consortium. The bill would require the board to develop necessary policies to ensure that grants awarded are consistent with the intent of these provisions.

The bill would also require the board, as part of the supportive services program described above, to develop High Road Training Partnerships or other similar programs to address the displacement of workers, including farmworkers in the southern central valley and youth who are in or out of school who are individuals with a barrier to employment, as specified. The bill would also authorize a High Road Training Partnership or other similar workforce training program to focus on the healthcare industry, which could include the evaluation of a region's provider network adequacy to meet the needs of the community. The bill would require a consortium that receives a grant to report annually to the board how it used supportive service funds in sufficient detail to determine what services qualified as support services and how much funding went to each category of service.

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:
- 3 (a) The Workforce, Education, and Training Subcommittee of
- 4 the state Lifting Children and Families Out of Poverty Task Force

-3- SB 61

was responsible for investigating existing workforce training programs and policies including community college training, career and technical education, work opportunity tax credits, and policies within the K–12 education system.

- (b) The evidence provided to the task force showed that there is a need for supportive services to address the common reasons that low-income workforce training participants do not complete workforce training programs.
- (c) A lack of childcare or affordable transportation are among the primary reasons that participants do not complete their vocational training programs.
- (d) The subcommittee and the full task force determined that additional funding for supportive services for low-income workforce participants and an increase in coordination across the many programs aiming to support education and employment for this population are necessary to lift families out of poverty and to ensure that they can fully participate in programs that will provide them the regional market skills to sustain upward mobility.
- (e) COVID-19 has further affected the ability for all Californians to start training programs due to lack of supportive services.
- SEC. 2. Article 4.5 (commencing with Section 14050) is added to Chapter 3 of Division 7 of the Unemployment Insurance Code, to read:

Article 4.5. Supportive Services For Workforce Program Participants

14050. As used in this article:

- (a) "Consortium" means an entity that may be composed of any combination of a local workforce development board, community college, California Adult Education Program Consortium, or Adult Education Program, or other local stakeholders, working in partnership to enroll and support individuals in poverty in workforce training programs aligned with regional labor market needs, except that every consortium shall include the local workforce development board that corresponds to its geographical area.
- (b) "Supportive services" means childcare, transportation, or other services identified by the state or local workforce development board, including those listed in paragraphs (2) and

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1 (3) of subdivision (c) of Section 134 of the Workforce Innovation 2 and Opportunity Act (Section 3174 of Title 29 of the United States 3 Code) as necessary to enable an individual to successfully 4 participate in High Road Training Partnerships programs or other 5 similar workforce programs.

- (c) "Training" includes all services described in paragraph (5) of subdivision (d) of Section 14013.
- (d) "Workforce training program" means California Workforce Development Board workforce programs and other workforce programs administered by local workforce development boards that are industry-based, worker-focused training partnerships that deliver equity, sustainability, and job quality aligned with the needs of the regional labor market.
- 14055. (a) The board shall establish and administer the Lifting Families Out of Poverty Supportive Services Program. Upon appropriation by the Legislature for that purpose, the board shall make fifty million dollars (\$50,000,000) in grants available to consortia that apply for funding and are approved in accordance with this article. The board may use up to 5 percent of the funding appropriated for purpose of this section to design and administer the program.
- (b) The board shall develop criteria, policies, and guidelines for the award of supportive service grant funds to a consortium consistent with this article.
- (c) These criteria, policies, and guidelines shall consider, but are not limited to, the following:
- (1) The ability of a consortium to leverage additional funds in support of the program.
- (2) The availability and likelihood of full-time employment in the regional labor market based on the successful completion of the High Road Training Partnerships Program or another similar workforce training program, including the alignment of the training partnerships program with regional labor market demand.
- (3) The process through which a consortium of local partners will assess the needs of participants and determine the most cost-effective manner possible for the provision of supportive services, including through the referral to, and utilization of, all other public and private programs and supportive services that may be available.

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(4) The list of designated qualified opportunity zones (QOZ) that meet the criteria for a low-income community, as defined in Sections 1400Z-1 and 1400Z-2 of the federal Internal Revenue Code.

- (d) The criteria, guidelines, and policies developed pursuant to this section shall be exempt from the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code). The board shall make the criteria, guidelines, and policies available to the public by posting them on its internet website.
- (e) A consortium shall apply for a grant by submitting a plan to the board in accordance with subdivision (f).
- (f) A plan submitted pursuant to subdivision (e) shall include all of the following:
 - (1) The number of people to be served.

- (2) The coordination with local governments, public and private employers in the area, community colleges, and other stakeholders.
- (3) The availability and likelihood of full-time employment in the local area based on the successful completion of the High Road Training Partnerships Program or another similar workforce training program.
- (4) The process through which the needs of participants will be assessed, and those needs met, in the most cost-effective manner possible including through the referral to and utilization of all other public and private programs and services that may be available.
- (g) A consortium that receives a grant shall report annually to the California Workforce Development Board on how it used supportive service funds in sufficient detail to determine what services qualified as support services and how much funding went to each category of service.
- 14055.1. (a) The board, as part of its supportive services program pursuant to Section 14055, shall also develop High Road Training Partnerships or other similar workforce training programs to address the displacement of workers, including, but not limited to, farmworkers in the southern central valley of the state, and youth who are in or out of school and who are individuals with a barrier to employment, as defined in Title 1 of the federal Workforce Innovation and Opportunity Act of 2014 (Public Law 113-128).

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- (b) "High Road Training Partnerships" means the programs administered or overseen by the board, to model strategies for the state to develop industry-based, worker-focused training partnerships that deliver equity, sustainability, and job quality and address questions of income inequality, economic competitiveness, and climate change through regional skills development designed to support communities across the state. To be similar to the High Road Training Partnership, another workforce training program shall have similar objectives and employ similar strategies to achieve those objectives.
- (c) A High Road Training Partnership or other similar workforce training program, as defined by subdivision (d) of Section 14050, may also include a focus on the health care industry, which may include the evaluation of a region's provider network adequacy to meet the needs of the community.
- 14055.3. The California Workforce Development Board shall develop necessary policies to ensure that grants awarded pursuant to Section 14055 are consistent with the intent of this article.

Introduced by Senator Dodd (Coauthor: Senator Gonzalez)

(Coauthors: Assembly Members Bloom and Robert Rivas)

January 14, 2021

An act to add Chapter 6.5 (commencing with Section 116930) to Part 12 of Division 104 of the Health and Safety Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

SB 222, as introduced, Dodd. Water Affordability Assistance Program.

Existing law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. Existing law declares it to be the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

Existing law requires the state board, by January 1, 2018, to develop a plan for the funding and implementation of the Low-Income Water Rate Assistance Program, as prescribed. Existing law requires the state board, by February 1, 2018, to report to the Legislature on its findings regarding the feasibility, financial stability, and desired structure of the program, including any recommendations for legislative action that may need to be taken.

This bill would establish the Water Affordability Assistance Fund in the State Treasury to help provide water affordability assistance, for both drinking water and wastewater services, to low-income ratepayers and ratepayers experiencing economic hardship in California. The bill would make moneys in the fund available upon appropriation by the Legislature to the state board to provide, as part of the Water

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Affordability Assistance Program established by the bill, direct water bill assistance, water bill credits, water crisis assistance, affordability assistance, and short-term assistance to public water systems to administer program components. The bill would impose requirements on the state board in connection with the program, including, among others, developing guidelines and fund oversight procedures for implementation of the program by January 1, 2023, consulting with an advisory group, and adopting an annual fund expenditure plan.

The bill would require, by July 1, 2022, the Public Utilities Commission to establish a mechanism for electrical corporations and gas corporations to, and would authorize the state board to require local publicly owned electric utilities and local publicly owned gas utilities to, regularly share specified customer data with the state board, subject to certain confidentiality protections. To the extent this provision would impose new requirements on local publicly owned electric utilities and local publicly owned gas utilities, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

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

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

SECTION 1. Chapter 6.5 (commencing with Section 116930) is added to Part 12 of Division 104 of the Health and Safety Code, to read:

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Chapter 6.5. Water Affordability Assistance Program

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Article 1. Water Affordability Assistance Fund

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116930. (a) The Water Affordability Assistance Fund is hereby established in the State Treasury to provide water affordability assistance, for both drinking water and wastewater services, to low-income ratepayers and ratepayers experiencing economic hardship in California. Moneys in the fund shall be available upon

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appropriation by the Legislature to the state board to provide allof the following:

- (1) Direct water bill assistance.
- (2) Water bill credits to renters and individuals or households that pay other amounts, fees, or charges related to residential water or wastewater service.
 - (3) Water crisis assistance.
- (4) Affordability assistance to low-income households served by domestic wells.
 - (5) Water efficiency measures for low-income households.
- (6) Short-term assistance to public water systems to administer program components, including initial startup costs.
- (b) The state board may, upon appropriation by the Legislature, expend moneys from the fund for reasonable regulatory costs associated with the administration of this chapter, not to exceed 5 percent of the annual deposits into the fund.
- 116930.1. The state board shall do all of the following in administering the fund:
- (a) Track and manage revenue in the fund separately from all other revenue.
- (b) Develop and implement a process for disbursing program funds to public water systems or third-party providers, including controls to prevent fraud, waste, and abuse.
- (c) Manage and maintain fund balances in conjunction with the Controller, the Treasurer, the California State Auditor's Office, and the Department of Finance, as appropriate.
- (d) Expend, upon appropriation by the Legislature, moneys in the fund for grants, contracts, direct monetary assistance, or services to assist eligible recipients.

Article 2. Program Implementation

- 116931. (a) The state board shall, by January 1, 2023, develop guidelines and fund oversight procedures for implementation of the program.
- (b) In developing the guidelines, the state board shall consult with an advisory group that includes representatives of all of the following:
 - (1) Public water systems.

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(2) Technical assistance providers, including organizations that support the federal Low-Income Home Energy Assistance Program.

- (3) Local agencies, including agencies that manage multifamily housing serving low-income residents.
- (4) Nongovernmental organizations that work with residents of disadvantaged communities.
- (5) Representatives from the public, including, but not limited to, low-income residents, low-income residents who live in multifamily housing, and residents served by tribal water systems.
- 116931.1. (a) The state board shall, in consultation with the advisory group described in subdivision (b) of Section 116931 and after a public hearing, adopt an annual fund expenditure plan. The annual fund expenditure plan may be incorporated into the fund expenditure plan developed pursuant to Article 4 (commencing with Section 116768) of Chapter 4.6.
- (b) The annual fund expenditure plan shall contain all of the following:
- (1) Identification of key terms, criteria, and metrics, and their definitions related to implementation of this section.
- (2) A description of how proposed remedies related to this section will be identified, evaluated, prioritized, and included in the annual fund expenditure plan.
- (3) A report of expenditures from the fund for the prior fiscal year and planned expenditures for the current fiscal year.
- (4) An estimate of the number of households eligible for assistance, including those that do not receive a direct bill for water.
- (5) A section that discusses water affordability challenges and proposed solutions for Californians served by state small water systems, local small water systems, and domestic wells. An evaluation of solutions shall include, but not be limited to, all of the following:
- (A) Amortization of an unpaid balance.
- (B) Participation in an alternative payment schedule.
- 35 (C) Partial or full reduction of the unpaid balance financed without additional charges to other ratepayers.
- 37 (D) Temporary deferral of payment.
- 38 (E) An arrearage management plan.
- 39 (F) Tiered water rates or percentage of income payment plan.

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(G) Methods to retain water system solvency, such as the use of fixed rates and increased use of water meters to improve planning.

- (6) An estimate of the funding needed for the next fiscal year based on the amount available in the fund, anticipated funding needs, other existing funding sources, and other relevant data and information.
- (c) The annual fund expenditure plan shall identify the funding need of disadvantaged communities and low-income households whose water bill charges pose affordability challenges based on metrics developed by the state board and the Public Utilities Commission.
- (d) The annual fund expenditure plan shall include analysis with metrics to evaluate how expenditures from prior fiscal years improved affordability.
- 116931.2. (a) By July 1, 2022, the Public Utilities Commission shall establish a mechanism for electrical corporations and gas corporations to regularly share data with the state board regarding the utility customers enrolled in, or eligible to be enrolled in, the California Alternate Rates for Energy (CARE) program established pursuant to Section 739.1 of the Public Utilities Code and the Family Electric Rate Assistance Program. Electrical corporations and gas corporations shall regularly share that data with the state board through the mechanism.
- (b) The state board may require local publicly owned electric utilities and local publicly owned gas utilities, including, but not limited to, municipal utility districts and irrigation districts, to regularly share data with the state board regarding utility customers enrolled in, or eligible to be enrolled in, affordability programs benefiting low-income customers.
- (c) Data shared pursuant to subdivision (a) or (b) is subject to the confidentiality protections of Section 6254.16 of the Government Code.

Article 3. Fund Expenditures

116932. (a) If moneys are deposited into the fund before the adoption of an annual fund expenditure plan, the state board shall, upon appropriation by the Legislature, expend those moneys from the fund to provide water crisis assistance to low-income

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households through direct assistance to the low-income households, forgiveness of delinquency by the public water system and reimbursement by the state board, or some other disbursement mechanism. The state board may use up to 5 percent of those moneys for administrative purposes.

- (b) The state board may adopt both of the following if necessary to implement this section:
 - (1) A policy handbook.
- (2) Emergency regulations pursuant to the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

Article 4. Program Administration

- 116933. The state board shall do all of the following in administering the program:
- (a) Collect and ensure the accuracy of water rate data and water system boundary data from each public water system.
- (b) Coordinate with the Public Utilities Commission regarding existing rate assistance programs for investor-owned water utilities.
- (c) For a public water system that is not regulated by the Public Utilities Commission, provide oversight of the public water system's implementation of the program to ensure effectiveness and prevent fraud, waste, and abuse.
- (d) Develop and publish performance metrics for the program, including, but not limited to, enrollment levels, total water shutoffs for inability to pay, and on-time payment levels.
- (e) Coordinate with other state agencies and resolve disputes as necessary.
- (f) Identify alternative entities to distribute and track benefits if a public water system is unwilling to do so or if the state board has determined a public water system is incapable of administering the program.

Article 5. Definitions

- 116934. For purposes of this chapter, the following definitions apply:
- 39 (a) "Fund" means the Water Affordability Assistance Fund 40 created pursuant to Section 116930.

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(b) "Low income" means a household income, or a community annual median household income, that is equal to or no greater than 200 percent of the federal poverty guideline level.

- (c) "Program" means the Water Affordability Assistance Program established pursuant to this chapter.
- (d) "Public water system" has the same meaning as defined in Section 116275.
- (e) "State board" means the State Water Resources Control Board.
- (f) "State small water system" has the same meaning as defined in Section 116275.
- in Section 116275.
 SEC. 2. No reimbursement is required by this act pursuant to
 Section 6 of Article XIIIB of the California Constitution because
- 14 a local agency or school district has the authority to levy service
- 15 charges, fees, or assessments sufficient to pay for the program or
- 16 level of service mandated by this act, within the meaning of Section
- 17 17556 of the Government Code.

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Introduced by Senator Dodd (Coauthor: Senator Gonzalez)

(Coauthors: Assembly Members Bloom and Robert Rivas)

January 14, 2021

An act to amend Sections 116902, 116904, 116906, 116908, 116910, 116912, 116914, 116916, 116918, 116920, 116922, and 116926 of the Health and Safety Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

SB 223, as introduced, Dodd. Discontinuation of residential water service.

Existing law prohibits an urban and community water system, defined as a public water system that supplies water to more than 200 service connections, from discontinuing residential water service for nonpayment until a payment by a customer has been delinquent for at least 60 days. Existing law requires an urban and community water system to have a written policy on discontinuation of residential service for nonpayment, including, among other things, specified options for addressing the nonpayment. Existing law requires an urban and community water system to provide notice of that policy to customers, as provided.

This bill would apply those provisions, on and after July 1, 2022, to a very small community water system, defined as a public water system that supplies water to 200 or fewer service connections used by year-long residents. The bill would require the written policy on discontinuation of residential service for nonpayment to include an arrearage management plan, as specified, and, for those systems that provide water audits or have the capacity to do so, to include a free

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water audit offered to low-income households with water usage that is above the annual average volume usage of their customer class.

The bill would require the board to provide technical assistance to very small community water systems, as appropriate, to assist with compliance with these requirements and to establish a bridge loan program to assist very small community water systems that may suffer revenue loss or delayed collection while complying with these requirements. The bill would also require the board to develop a template for a written policy on discontinuation of residential service for nonpayment, on or before September 1, 2022, to aid very small community water systems in complying with the requirement to have a written policy on discontinuation of residential service for nonpayment.

Existing law prohibits an urban and community water system from discontinuing residential service for nonpayment if certain conditions are met, including that the customer or a tenant submits certification that discontinuation of residential service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises.

This bill would revise the conditions under which urban and community water systems and very small community water systems are prohibited from discontinuing residential service for nonpayment. The bill would prohibit these systems from discontinuing residential service for nonpayment during a state or local emergency. The bill would prohibit these systems from discontinuing residential water service for nonpayment until a payment by a customer has been delinquent for at least 120, rather than 60, days and the total amount of the delinquency, exclusive of late charges and interest, is at least \$400. The bill would also prohibit these systems from discontinuing residential water service for nonpayment to a master-metered multifamily residence with at least 4 units or to a master-metered mobilehome park.

Existing law requires an urban and community water system to impose specified fees for reconnection of service for customers with a household income below 200% of the federal poverty line.

This bill would instead require an urban and community water system and very small community water system to waive fees for disconnection and reconnection of service for those customers.

Existing law authorizes the Attorney General to enforce the requirements imposed on urban and community water systems in connection with discontinuing residential service for nonpayment by seeking an injunction, as specified.

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This bill would additionally authorize the board to issue an order to an urban and community water system or very small community water system to enforce these requirements, or to seek an injunction, as specified.

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

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

- SECTION 1. Section 116902 of the Health and Safety Code is amended to read:
- 3 116902. For the purposes of this chapter, the following 4 definitions apply:

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- (a) "Board" means the State Water Resources Control Board.
- (b) "Public water system" has the same meaning as defined in Section 116275.
- (c) "Residential service" means water service to a residential connection that includes single-family residences, multifamily residences, mobilehomes, including, but not limited to, mobilehomes in mobilehome parks, or farmworker housing.
- (d) "Urban and community water system" means a public water system that supplies water to more than 200 service connections. connections used by year-long residents.
- (e) "Urban water supplier" has the same meaning as defined in Section 10617 of the Water Code.
- (f) "Very small community water system" means a public water system that supplies water to 200 or fewer service connections used by year-long residents.
- SEC. 2. Section 116904 of the Health and Safety Code is amended to read:
 - 116904. (a) An urban water supplier not regulated by the Public Utilities Commission shall comply with this chapter on and after February 1, 2020.
- 25 (b) An urban and community water system regulated by the 26 Public Utilities Commission shall comply with this chapter on and 27 after February 1, 2020. The urban and community water system 28 regulated by the Public Utilities Commission shall file advice
- 29 letters with the commission to conform with this chapter.

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(c) An urban and community water system not described in subdivision (a) or (b) shall comply with this chapter on and after April 1, 2020.

- (d) A very small community water system shall comply with this chapter on and after July 1, 2022. A very small community water system regulated by the Public Utilities Commission shall file advice letters with the commission to conform with this chapter.
- (e) The board shall provide technical assistance to very small community water systems, as appropriate, to assist with compliance with this chapter.
- (f) The board shall establish a bridge loan program to assist very small community water systems that may suffer revenue loss or delayed collection while complying with this chapter. To the extent funding is available, partial loan forgiveness shall be made available to systems that offer debt forgiveness to low-income residents with past due accounts.
- (g) An urban water supplier and an urban and community water system shall update its policies to comply with this chapter by July 1, 2022.
- SEC. 3. Section 116906 of the Health and Safety Code is amended to read:
- 116906. (a) An urban and community water system and a very small community water system shall have a written policy on discontinuation of residential service for nonpayment available in English, the languages listed in Section 1632 of the Civil Code, and any other language spoken by at least 10 percent of the people residing in its service area. The policy shall include all of the following:
- 29 (1) A plan for deferred or reduced payments. payments that 30 includes an option for repayment over a period of 12 months or 31 longer.
 - (2) Alternative payment schedules.
- 33 (3) A formal mechanism for a customer to contest or appeal a 34 bill.
- 35 (4) An arrearage management plan consistent with the 36 *following:*
- (A) The arrearage management plan shall extend for a maximum 38 of 12 months and shall include forgiveness of at least one-twelfth of the delinquent balance with each consecutive on-time payment of the monthly charge for water service only. Forgiveness of the 40

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full delinquent balance under the arrearage management plan shall take place at the final consecutive on-time payment under the plan.

(B) A customer who misses two consecutive payments may be removed from the arrearage management plan. If a customer is removed from the arrearage management plan before making 12 on-time payments, any debt that has already been forgiven shall remain forgiven and the urban and community water system or very small community water system shall offer enrollment into an amortization agreement, alternative payment schedule, or a plan for deferred or reduced payment.

(4)

- (5) A telephone number for a customer to contact to discuss options for averting discontinuation of residential service for nonpayment.
- (6) For systems that provide water audits or have the capacity to do so, a free water audit offered to low-income residential customers households with water usage that is above the annual average volume usage of their customer class.
- (b) The policy shall be available on the urban and community water system's Internet Web site, internet website of the urban and community water system or very small community water system, if an Internet Web site internet website exists. If an Internet Web site internet website does not exist, the urban and community water system or very small community water system shall provide the policy-to customers in writing, upon request in writing upon its adoption or revision and upon request by a customer.
- (c) (1) The board may enforce the requirements of this section pursuant to Sections 116577, 116650, and 116655. The provisions of Section 116585 and Article 10 (commencing with Section 116700) of Chapter 4 apply to enforcement undertaken for a violation of this section.
- (2) All moneys collected pursuant to this subdivision shall be deposited in the Safe Drinking Water Account established pursuant to Section 116590.
- (d) The board shall develop a template for a written policy on discontinuation of residential service for nonpayment, on or before September 1, 2022, to aid very small community water systems in compliance with this section. The written policy template shall be

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provided in English and the languages listed in Section 1632 of the Civil Code.

SEC. 4. Section 116908 of the Health and Safety Code is amended to read:

116908. (a) (1) (A) An urban and community water system or very small community water system shall not discontinue residential service for nonpayment until a payment for water service by a customer has been delinquent for at least 60 days. 120 days and the amount of the delinquency, excluding late charges and interest, is at least four hundred dollars (\$400). No less than seven business days before discontinuation of residential service for nonpayment, an urban and community water system and very small community water system shall contact the customer named on the account by telephone or written notice.

- (B) When the urban and community water system or very small community water system contacts the customer named on the account by telephone pursuant to subparagraph (A), it shall offer to provide in writing to the customer the urban and community water system's its policy on discontinuation of residential service for nonpayment. An urban and community water system and very small community water system shall offer to discuss options to avert discontinuation of residential service for nonpayment, including, but not limited to, alternative payment schedules, deferred payments, entering into an arrearage management plan, minimum payments, procedures for requesting amortization of the unpaid balance, and petition for bill review and appeal.
- (C) When the urban and community water system *or very small community water system* contacts the customer named on the account by written notice pursuant to subparagraph (A), the written notice of payment delinquency and impending discontinuation shall be mailed to the customer of the residence to which the residential service is provided. If the customer's address is not the address of the property to which residential service is provided, the notice also shall be sent to the address of the property to which residential service is provided, addressed to "Occupant." The notice shall include, but is not limited to, all of the following information in a clear and legible format:
- (i) The customer's name and address.
 - (ii) The amount of the delinquency.

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(iii) The date by which payment or arrangement for payment is required in order to avoid discontinuation of residential service.

- (iv) A description of the process to apply for an extension of time to pay the delinquent charges.
- (v) A description of the procedure to petition for bill review and appeal.
- (vi) A description of the procedure by which the customer may request a deferred, reduced, or alternative payment schedule, including *entering into an arrearage management plan or* an amortization of the delinquent residential service charges, consistent with the written policies provided pursuant to subdivision (a) of Section 116906.
- (2) If the urban and community water system or very small community water system is unable to make contact with the customer or an adult occupying the residence by telephone, and written notice is returned through the mail as undeliverable, the urban and community water system or very small community water system shall make a good faith effort to visit the residence and leave, or make other arrangements for placement in a conspicuous place of, a notice of imminent discontinuation of residential service for nonpayment and the urban and community water system's policy for discontinuation of residential service for nonpayment.
- (b) If an adult at the residence appeals the water bill to the urban and community water system, very small community water system, or any other administrative or legal body to which such an appeal may be lawfully taken, the urban and community water system or very small community water system shall not discontinue residential service while the appeal is pending.
- (c) For purposes of this section, a residential water customer who pays a water bill that is combined with billing for other services, including, but not limited to, sewer service or electricity service, is not delinquent and shall not have their water service discontinued for nonpayment if the customer has paid an amount equal to or greater than the monthly charge for water service, excluding taxes and fees.
- (d) Notwithstanding any other law, the urban and community water system or very small community water system shall release all liens, and shall not obtain any new lien, for delinquent amounts owed for residential water service when the customer is enrolled in an amortization agreement, alternative payment schedule, or

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1 arrearage management plan, or a plan for deferred or reduced 2 payment.

- SEC. 5. Section 116910 of the Health and Safety Code is amended to read:
- 116910. (a) An urban and community water system or very small community water system shall not discontinue residential service for nonpayment during a state or local emergency declared pursuant to Section 8625 or 8630 of the Government Code.

(a)

- (b) An urban and community water system or very small community water system shall not discontinue residential service for nonpayment if all of the following conditions are met:
- (1) (A) The customer, or a tenant of the customer,—submits self-certifies to the urban and community water system or very small community water system that a resident of the premises is older than 65 years of age or younger than 18 years of age or submits the certification of a primary care provider, as that term is defined in subparagraph (A) of paragraph (1) of subdivision (b) of Section 14088 of the Welfare and Institutions Code, that discontinuation of residential service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential service is provided.
- (B) As an alternative to the procedures described in subparagraph (A), a customer, or tenant of the customer, may self-certify that they do not have a primary care provider and that discontinuation of residential service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential service is provided. A self-certification under this subparagraph may be oral or in writing and may be made in English or any of the languages listed in Section 1632 of the Civil Code.
- (2) The customer demonstrates that he or she is they are financially unable to pay for residential service within the urban and community water system's normal billing eyele. cycle of the urban and community water system or very small community water system. The customer shall be deemed financially unable to pay for residential service within the urban and community water system's normal billing cycle if any member of the customer's household is a current enrollee in, or recipient of of, the California Alternate Rates for Energy (CARE) program established pursuant

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1 to Section 739.1 of the Public Utilities Code, the Family Electric

- 2 Rate Assistance program established pursuant to Section 739.12
- 3 of the Public Utilities Code, CalWORKs, CalFresh, general
- 4 assistance, Medi-Cal, Supplemental Security Income/State
- 5 Supplementary Payment Program, or California Special 6 Supplemental Nutrition Program for Women, Infants, and Children,
- Supplemental Nutrition Program for Women, Infants, and Children, or the customer declares that the household's annual income is
- or the customer declares that the household's annual income sees than 200 percent of the federal poverty level.
 - (3) The customer is willing to enter into an amortization agreement, alternative payment schedule, *or arrearage management plan*, or a plan for deferred or reduced payment, consistent with the written policies provided pursuant to subdivision (a) of Section 116906, with respect to all delinquent charges.

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- (c) (1) If the conditions listed in subdivision—(a) (b) are met, the urban and community water system or very small community water system shall offer the customer—one or more of the following options:
 - (A) Amortization of the unpaid balance.
 - (B) Participation in an alternative payment schedule.
- (C) A partial or full reduction of the unpaid balance financed without additional charges to other ratepayers.
 - (D) Temporary deferral of payment.
- (E) An arrearage management plan, as described in paragraph (4) of subdivision (a) of Section 116906.
- (2) The urban and community water system may choose which of the payment options described in paragraph (1) the customer undertakes and may set the parameters of that or very small community water system shall, in consultation with the customer, select the option described in paragraph (1) that best assists the customer in avoiding discontinuation of service over the long term, and may set the parameters of the selected payment option.
- Ordinarily, the repayment option offered should result in repayment
- 35 resolution of any remaining outstanding balance within 12 months.
- 36 An urban and community water system or very small community
- 37 water system may grant a longer repayment period if it finds the
- 38 longer period is necessary to avoid undue hardship to the customer
- 39 based on the circumstances of the individual case.

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(3) Residential service may be discontinued no sooner than 5 business days after the urban and community water system *or very small community water system* posts a final notice of intent to disconnect service in a prominent and conspicuous location at the property under either of the following circumstances:

- (A) The customer fails to comply with an amortization agreement,—an alternative payment schedule, *or arrearage management plan*, or a deferral or reduction in payment plan for delinquent charges for 60 days or more.
- (B) While undertaking an amortization agreement, an alternative payment schedule, *or arrearage management plan*, or a deferral or reduction in payment plan for delinquent charges, the customer does not payhis or her their current residential service charges for 60 days or more.
- (d) By July 1, 2022, the Public Utilities Commission shall establish a mechanism by which electrical and gas corporations regularly share data with urban and community water systems and very small community water systems in their service areas regarding the utility customers enrolled in, or eligible to be enrolled in, the California Alternate Rates for Energy program established pursuant to Section 739.1 of the Public Utilities Code or the Family Electric Rates Assistance program, established pursuant to Section 739.12 of the Public Utilities Code. Data shared pursuant to the mechanism established by the commission shall be subject to Section 6254.16 of the Government Code.
- SEC. 6. Section 116912 of the Health and Safety Code is amended to read:
- 116912. An urban and community water system *or very small* community water system that discontinues residential service for nonpayment shall provide the customer with information on how to restore residential service.
- SEC. 7. Section 116914 of the Health and Safety Code is amended to read:
- 116914. (a) For a residential customer who demonstrates to an urban and community water system *or very small community water system* household income below 200 percent of the federal poverty line, the urban and community water system *or very small community water system* shall do both of the following:
- (1) Set a reconnection of service fee for reconnection during normal operating hours at fifty dollars (\$50), but not to exceed the

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actual cost of reconnection if it is less. Reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021. For the reconnection of residential service during nonoperational hours, an urban and community water system shall set a reconnection of service fee at one hundred fifty dollars (\$150), but not to exceed the actual cost of reconnection if it is less. Reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021.

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- (1) Waive fees for disconnection and reconnection of service.
- (2) Waive *all late fees*, interest charges charges, and penalties on delinquent bills once every 12 months.
- (b) An urban and community water system and very small community water system shall deem a residential customer to have a household income below 200 percent of the federal poverty line if any member of the household is a current enrollee in, or recipient of of, the California Alternate Rates for Energy program established pursuant to Section 739.1 of the Public Utilities Code, the Family Electric Rate Assistance program established pursuant to Section 739.12 of the Public Utilities Code, CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or the customer declares that the household's annual income is less than 200 percent of the federal poverty level.
- SEC. 8. Section 116916 of the Health and Safety Code is amended to read:
- 116916. (a) This section applies if there is a landlord-tenant relationship between the residential occupants and the owner, manager, or operator of the dwelling.
- (b) An urban and community water system or very small community water system shall not discontinue for nonpayment residential water service to a master-metered multifamily residence with at least four units or to a master-metered mobilehome park.
- (c) If an urban and community water system or very small community water system furnishes individually metered residential service to residential occupants of a detached single-family dwelling, a multiunit residential structure, mobilehome park, or permanent residential structure in a labor camp as defined in

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Section 17008, and the owner, manager, or operator of the 2 dwelling, structure, or park is the customer of record, the urban 3 and community water system or very small community water 4 system shall make every good faith effort to inform the residential 5 occupants, by means of written notice, when the account is in arrears that service will be terminated at least 10 days prior to the 6 termination. The written notice shall further inform the residential 8 occupants that they have the right to become customers, to whom the service will then be billed, without being required to pay any 10 amount which may be due on the delinquent account.

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(d) The urban and community water system or very small community water system is not required to make direct service available to the residential occupants unless each residential occupant agrees to the terms and conditions of service and meets the requirements of law and the urban and community water system's rules and tariffs. rules of the urban and community water system or very small community water system. However, if one or more of the residential occupants are willing and able to assume responsibility for the subsequent charges to the account to the satisfaction of the urban and community water system or very small community water system, or if there is a physical means legally available to the urban and community water system or very small community water system of selectively terminating service to those residential occupants who have not met the requirements of the urban and community water system's rules and tariffs, rules of the urban and community water system or very small community water system, the urban and community water system or very small community water system shall make service available to those residential occupants who have met those requirements.

(d)

(e) If prior service for a period of time is a condition for establishing credit with the urban and community water system or very small community water system, residence and proof of prompt payment of rent or other credit obligation acceptable to the urban and community water system or very small community water system for that period of time is a satisfactory equivalent.

38 (e) 39

(f) Any residential occupant who becomes a customer of the urban and community water system or very small community water _13_ SB 223

system pursuant to this section whose periodic payments, such as rental payments, include charges for residential water service, where those charges are not separately stated, may deduct from the periodic payment each payment period all reasonable charges paid to the urban and community water system or very small community water system for those services during the preceding payment period.

(f)

- (g) In the case of a detached single-family dwelling, the urban and community water system or very small community water system may do any of the following:
- (1) Give notice of termination at least seven days prior to the proposed termination.
- (2) In order for the amount due on the delinquent account to be waived, require an occupant who becomes a customer to verify that the delinquent account customer of record is or was the landlord, manager, or agent of the dwelling. Verification may include, but is not limited to, a lease or rental agreement, rent receipts, a government document indicating that the occupant is renting the property, or information disclosed pursuant to Section 1962 of the Civil Code.
- SEC. 9. Section 116918 of the Health and Safety Code is amended to read:
- 116918. (a) An urban and community water system or very small community water system shall report annually the number of—annual discontinuations of residential service for inability to pay on the urban and community water system's Internet Web site, pay, during the reporting year, both for the water system as a whole and for each ZIP Code served by the water system, on the water system's internet website, if an—Internet Web site internet website exists, and to the board. The board shall post on its—Internet Web site internet website the information reported.
- (b) In its annual reporting to the board pursuant to this section, each urban and community water system and very small community water system shall report all of the following:
- (1) The number of accounts for which water service was restored within 36 hours of the time of disconnection.
- (2) The number of accounts for which water service was restored between 36 hours and seven days from the time of disconnection.

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(3) The number of accounts for which water service was restored more than seven days after disconnection.

- (4) The number of accounts for customers who fell behind on their water bills during the year, the median amount of household water debt that is outstanding at the end of each annual reporting cycle, and the overall amount of household water debt that is outstanding at the end of each annual reporting cycle.
- (5) The number of accounts for customers who are enrolled in a water affordability program at the end of each annual reporting cycle.
- SEC. 10. Section 116920 of the Health and Safety Code is amended to read:
- 116920. (a) The Attorney General, The board may issue an order to an urban and community water system or very small community water system to enforce the requirements of this chapter.
- (b) The board, or the Attorney General at the request of the board or upon his or her the Attorney General's own motion, may bring an action in state court to restrain by temporary or permanent injunction the use of any method, act, or practice declared in this chapter to be unlawful.

22 (b)

- (c) For an urban and community water system or very small community water system regulated by the Public Utilities Commission, the commission may bring an action in state court to restrain by temporary or permanent injunction the use by an urban and community water system or very small community water system regulated by the commission of any method, act, or practice declared in this chapter to be unlawful.
- SEC. 11. Section 116922 of the Health and Safety Code is amended to read:
- 116922. All written notices required under this chapter shall be provided in English, the languages listed in Section 1632 of the Civil Code, and any other language spoken by 10 percent or more of the customers in the urban and community water system's service area. service area of the urban and community water system or very small community water system.
- 38 SEC. 12. Section 116926 of the Health and Safety Code is 39 amended to read:

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1 116926. This chapter does not apply to the termination of a service connection by an urban and community water system *or very small community water system* due to an unauthorized action of a customer.

