



**BOARD OF DIRECTORS
EAST BAY MUNICIPAL UTILITY DISTRICT**

375 - 11th Street, Oakland, CA 94607

Office of the Secretary: (510) 287-0440

Notice of Time Change

**LEGISLATIVE/HUMAN RESOURCES
COMMITTEE MEETING**

10:00 a.m.

Tuesday, August 14, 2018

Notice is hereby given that on Tuesday, August 14, 2018 the Legislative/Human Resources Committee Meeting of the Board of Directors has been rescheduled from 10:15 a.m. to 10:00 a.m. The meeting will be held in the Training Resource Center of the Administration Building, 375 - 11th Street, Oakland, California.

Dated: August 9, 2018

A handwritten signature in blue ink that reads 'Rischa S. Cole'.

**Rischa S. Cole
Secretary of the District**



**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, August 14, 2018
10:00 a.m.
Training Resource Center**

(Committee Members: Directors Coleman {Chair}, Patterson and Young)

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. 08-18 and consider positions on the following bills: AB 1884 (Calderon) Food Facilities: Single-Use Plastic Straws; AB 2370 (Holden): Lead Exposure: Child Day Care Facilities: Family Day Care Homes; AB 2470 (Grayson) Invasive Species Council of California: California Invasive Species Advisory Committee; SB 998 (Dodd) Discontinuation of Residential Water Service: Urban and Community Water Systems; and receive information on Proposition 3 “The Water Supply and Water Quality Act of 2018”
 - Update on Legislative Issues of Interest to EBMUD
2. Semi-Annual Update on District Values and Organizational Improvements Programs (Acosta)
3. Sutter Health Plan Contract (Acosta)
4. Amendment No. 1 to the 2017-2021 Memorandum of Understanding Between East Bay Municipal Utility District and International Federation of Professional and Technical Engineers Local 21 (Acosta)

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.

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: August 9, 2018

MEMO TO: Board of Directors

FROM: Alexander R. Coate, General Manager *ARC*

SUBJECT: Legislative Report No. 08-18

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.

RECOMMENDED ACTION

Approve positions on the following bills: 1) Support AB 1884 (Calderon) Food facilities: single-use plastic straws; 2) Support AB 2370 (Holden) Lead exposure: child day care facilities: family day care homes; 3) Support AB 2470 (Grayson) Invasive Species Council of California: California Invasive Species Advisory Committee; 4) Support and Amend SB 998 (Dodd) Discontinuation of residential water service: urban and community water systems; and receive information on Proposition 3 "The Water Supply and Water Quality Act of 2018."

STATE LEGISLATION

RECOMMENDED POSITION

**AB 1884
(Calderon)**

**FOOD FACILITIES: SINGLE-USE
PLASTIC STRAWS**

SUPPORT

Existing law, the California Retail Food Code, establishes uniform health and sanitation standards for, and provides that the State Department of Public Health is responsible for, regulating retail food facilities. In addition, existing law prohibits certain stores from providing a single-use carryout bag to a customer at the point of sale.

AB 1884 (Calderon), as amended on August 6, 2018, is a pollution prevention measure and would primarily require full-service restaurants, as defined in the bill, to provide single-use plastic straws only upon request. Full-service restaurants that fail to comply would be subject to fines after two violations. Subsequent violations would be subject to a fine of \$25 for each day the full-service restaurant is not in compliance, not to exceed \$300 annually. In addition, AB 1884 would allow local agencies to further restrict full-service restaurants from providing single-use plastic straws.

According to the Senate Committee on Environmental Quality, "it is estimated that more than 500 million single-use plastic straws are used and thrown away every day" in the United States

alone. According to the Ocean Protection Council, marine debris is a persistent and growing problem worldwide, with studies indicating that 60 to 80 percent comes from land-based sources and up to 80 percent of this marine debris is plastic. The National Oceanic and Atmospheric Administration notes that food and beverage packaging makes up the largest component of this marine debris.

According to the author, AB 1884 is intended to “reduce plastic pollution, thus preventing it from harming wildlife, clogging up our oceans and waterways, and eventually entering our food chain. By removing the default behavior of providing straws with every drink, a consumer is given the chance to make a deliberate small change that will lessen the impacts of discarded plastic straws in our environment.”

With regard to EBMUD, discarded plastic straws can end up in wastewater streams, as well as rivers and streams thereby disrupting fish habitat and disturbing aesthetic values of natural waterways. AB 1884’s requirement that full-service restaurants only provide single-use plastic straws upon request is expected to help reduce the amount of plastic debris that must be removed from the wastewater stream prior to treatment as well as reduce the amount of plastic debris found on EBMUD lands and natural waterways and would contribute to watershed habitat improvements.

EBMUD has previously supported plastic pollution prevention measures. In 2016, the EBMUD Board adopted a resolution to support ratification of SB 270 on a referendum to uphold SB 270’s statewide ban on single-use carryout bags. In 2012, EBMUD supported AB 298 (Brownley), which would have banned single-use carry out bags. AB 298 failed to advance out of the legislature. In 2010, EBMUD supported AB 1998 (Brownley), which was substantially similar to AB 298. AB 1998 failed to advance out of the legislature.

The official list of support and opposition to a prior version of AB 1884 is shown below. An official list of support and opposition to the current version of the bill is not available.

Support

Algalita Marine Research and Education
Azul
California Association of Zoos and Aquariums
California Coastkeeper Alliance
California League of Conservation Voters
Californians Against Waste
CALPIRG
Center for Biological Diversity
Center for Oceanic Awareness, Research, and Education
Chico Bag
City and County of San Francisco
City of Berkeley
City of Dana Point

City of Encinitas
City of Hayward
City of West Hollywood
Clean Water Action
County of Santa Clara
Defenders of Wildlife
Environment California
Environmental Working Group
Friends Committee on Legislation of California
Heal the Bay
Jr Ocean Guardians
Los Angeles City Council
Monterey Bay Aquarium
National Parks Conservation Association
National Resources Defense Council
Plastic Pollution Coalition
RecycleSmart
Ridley the Seal
San Luis Obispo County Integrated Waste Management Authority
Save Our Shores
Save the Bay
SeaWorld
Seventh Generation Advisors
Sierra Club California
Surfrider Foundation
StopWaste
The 5 Gyres Institute
The Last Plastic Straw
The Story of Stuff Project
The Trust for Public Land
UPSTREAM Policy
WILDCOAST
Wishtoyo Chumash Foundation
Zero Waste USA
5 Individuals

Opposition

California Right to Life Committee

AB 2370 **LEAD EXPOSURE: CHILD DAY CARE** **SUPPORT**
(Holden) **FACILITIES: FAMILY DAY CARE HOMES**

Existing law provides for the regulation of day-care facilities and drinking water via the California Child Day Care Facilities Act, the Child Care and Development Services Act, and the California Safe Drinking Water Act.

AB 2370 (Holden), as amended August 6, 2018, would establish new drinking water testing requirements for licensed child care centers that are intended to reduce lead exposure in children. AB 2370 also includes specified lead exposure prevention training and notification requirements for licensed child care centers and family day-care homes.

AB 2370 would require the State Department of Social Services (DSS), in consultation with the State Water Resources Control Board (SWRCB), to adopt regulations via a public stakeholder process for drinking water testing at licensed child day-care centers to ensure lead levels do not exceed the action level established by the SWRCB. Public water agencies are included among the entities listed as stakeholders that may participate in the regulatory process.

Initial testing would be required for facilities constructed before January 1, 2010, and periodic testing would be required every five years thereafter. Sample collection would be required in accordance with SWRCB guidelines and those permitted to collect samples would include regulators, accredited laboratories, child day-care center providers, and other entities authorized by the SWRCB. The SWRCB would be required to post test results on its website and to transmit testing data to DSS under timelines developed via the regulatory process. Finally, the regulations would be required to include a prohibition on providing drinking water to children when lead levels exceed the SWRCB action level.

Funding for drinking water testing, remediating lead in drinking water systems, and providing technical assistance to child care centers would be provided to eligible entities via SWRCB grants.

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 or mental development. Lead exposure in adults can result in kidney problems 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.

The intent of AB 2370, to help protect children from lead exposure, is consistent with EBMUD’s efforts to reduce lead exposure in drinking water, including EBMUD’s sponsorship of prior legislation and consistent with EBMUD’s current school testing program. AB 2370 would extend the state’s requirement for lead testing in schools to licensed day-care centers and appropriately places the oversight for testing in licensed day-care centers with DSS, the state agency that regulates licensed day-care centers.

EBMUD has historically supported measures to protect the public health by reducing exposure to lead in drinking water. In 2016, EBMUD supported SB 1398 (Leyva) to facilitate the identification and replacement of lead pipes in water systems. SB 1398 was signed into law (Chapter 731 of 2016). 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 to 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. In 2008, EBMUD sponsored follow-up legislation, SB 1395 (Corbett), to require random testing of faucets through the Department of Toxics and Substance Control to help ensure that faucets and fittings sold in California complied with the lower lead standard set by AB 1953. SB 1395 was signed into law (Chapter 581 of 2008). EBMUD was also a strong proponent of subsequent federal legislation, S. 3874 (Boxer) in 2010, that was signed into law and essentially adopted AB 1953's "lead-free" standard for pipes and plumbing fixtures nationwide.

The official list of support and opposition to a prior version of AB 2370 is shown below. An official list of support and opposition to the current version of the bill is not available.

Support

Environmental Working Group (Sponsor)
CALPIRG
California State PTA
Berkeley City Council
California Teachers Association
The Association of Regional Center Agencies (ARCA)
San Francisco Bay Area Physicians for Social Responsibility
The Arc and United Cerebral Palsy California Collaboration
Natural Resources Defense Council (NRDC)
California Coalition of Welfare Rights Organizations
Environmental Working Group
Clean Water Action
San Francisco Bay Area Physicians for Social Responsibility
Friends Committee on Legislation of California
Center for Food Safety
California League of Conservation Voters
Center for Environmental Health
SmartOakland.org
Western Center on Law and Poverty
Seventh Generation Advisors
Community Water Center
The Trust for Public Land
Healthy Black Families, Inc.
Coalition of California Welfare Rights Organizations
Children's Advocacy Institute of the University of San Diego

Sierra Club California
California Public Interest Research Group

Opposition
None listed

AB 2470	INVASIVE SPECIES COUNCIL OF	SUPPORT
(Grayson)	CALIFORNIA: CALIFORNIA INVASIVE	
	SPECIES ADVISORY COMMITTEE	

Under existing law responsibility for activities related to invasive species falls under the jurisdiction of multiple agencies and departments, including the California Department of Food and Agriculture, the Division of Boating and Waterways, the Department of Pesticide Regulation, and the Department of Fish and Wildlife (DFW).

AB 2470 (Grayson), as amended on June 13, 2018, is intended to promote a comprehensive approach to invasive species management and would primarily do five things: 1) establish the Invasive Species Council of California (Council) in statute to help coordinate prevention efforts, as well as control and eradication efforts; 2) establish the California Invasive Species Advisory Committee (Advisory Committee) in statute to advise the Council; 3) require the Council to develop a report, in coordination with the Advisory Committee, to be submitted to the legislature; 4) authorize an annual California Invasive Species Summit to develop new recommendations and to coordinate invasive species activities; and, 5) establish an Invasive Species Fund, subject to legislative appropriation, to fund projects and activities recommended by the Advisory Committee. Projects and activities that could be funded include but are not limited to preventing the introduction of invasive species; detection, control, and eradication efforts; emergency and non-emergency rapid response activities; reporting on invasive species impacts; statewide surveys and mapping of high-risk areas; statewide education and outreach activities; and, increased border inspections.

According to the Assembly Committee on Water, Parks, and Wildlife, an invasive species is a species that is non-native and “whose introduction causes, or is likely to cause, economic or environmental harm or harm to human health.” There are a large number of “insects, weeds, animals, and diseases that have entered the State of California from elsewhere on the globe, causing ecological damage and economic losses.”

While the suppression and eradication of invasive species falls under the purview of multiple state agencies, the Council was established in 2009 as an informal partnership of state agencies aimed at helping coordinate and ensure complementary, cost-efficient, environmentally sound effective state activities regarding invasive species. The Council appointed the Advisory Committee to help make recommendations to develop and prioritize an invasive species action plan. At this time, the Council and Advisory Committee have not been formally established in statute and there is no mechanism to provide continued and on-going funding for these entities.

In January 2018, stakeholders convened an invasive species summit to among other things, refine the state's approach to invasive species control and make recommendations for further action. Key strategies that came out of the summit include but are not limited to formalizing the Council and the Advisory Committee and increasing funding to study invasive species. AB 2470 is intended to implement recommendations of the invasive species summit and would establish the Council and Advisory Committee in law to ensure that the work underway with regards to invasive species continues and that coordination between state programs is maintained, as well as provide funding, if appropriated by the legislature, to fund invasive species related projects and activities.

At the local level, many individual agencies, including EBMUD, have been addressing invasive species through comprehensive local and regional programs. For example, EBMUD has a proactive aquatic species prevention program, which includes a quagga and zebra mussel prevention and monitoring program for its water system in place since 2008. The quagga and zebra mussel prevention program, in place at all six reservoirs on which recreational boating is allowed, includes a vessel history survey and is usually accompanied by a physical inspection. In addition, Camanche Reservoir now has a boat decontamination station to allow boat owners to pay for a high pressure hot-water scrub to ensure that boats that may have been exposed to quagga or zebra mussels do not have quagga or zebra mussels on them when they enter EBMUD reservoirs. Boats which fail either the survey or inspection are not allowed to be launched into EBMUD reservoirs unless they complete this decontamination process. To date, neither quagga nor zebra mussels have been found within EBMUD's water system.

As no single entity can stop the spread of invasive species by itself, support from the state in the form of information, program development, or additional funding sources would enhance local efforts and increase the overall effectiveness of these programs. AB 2470 would facilitate a coordinated approach to developing, and possible funding for, effective programs to help prevent the introduction of invasive species and provide for the control and eradication of invasive species.

EBMUD has previously sponsored and supported measures to combat invasive species in California. In 2017, EBMUD supported AB 1587, which would have helped prevent the spread of dreissenid mussels once they have been discovered in a water body and help fund prevention efforts. AB 1587 is pending in the legislature. In 2016, EBMUD supported AB 2549, which extended a sunset date in current law to allow DFW to continue efforts to prevent the spread of dreissenid mussels. AB 2549 was signed into law (Chapter 201). In 2014, EBMUD supported AB 2402 (Buchanan) to combat noxious and invasive weeds and protect California waterways by updating funding allocations from the Noxious Weed Management Account for various noxious and invasive weed management activities. AB 2549 was signed into law (Chapter 271 of 2014). EBMUD sponsored AB 2065 (Hancock) in 2008, which required the owners and operators of recreational reservoirs that are not infested with dreissenid mussels to implement a mussel prevention program. AB 2065 was signed into law (Chapter 667).

The official list of support and opposition to AB 2470 is shown below.

Support

California Association of Nurseries and Garden Centers (Co-sponsor)
California Invasive Plant Council (Co-sponsor)
Big Sur Land Trust
Bolsa Chica Land Trust
Butte County Weed Management Area
Cache Creek Conservancy
California Agricultural Commissioners and Sealers Association
California Association of Resource Conservation Districts
California Forest Pest Council
California Forestry Association
California Native Grasslands Association
California Native Plant Society – Marin Chapter
California Native Plant Society – San Luis Obispo Chapter
California Native Plant Society - Willis Linn Jepson Chapter
California Tahoe Alliance
California Urban Forests Council
California Wildlife Foundation
City of Arcata
City of Santa Cruz Water Department
City of Thousand Oaks
Conejo Open Space Foundation
County of Placer
County of San Mateo County Board of Supervisors
County of Santa Clara
Creekside Science
Defenders of Wildlife
Ecological Concerns Incorporated
Friends of Alhambra Creek
Friends of Aquatic Park
Friends of Corte Madera Creek Watershed
Friends of Edgewood
Friends of the Desert Mountains
Golden Gate National Parks Conservancy
Golden Hour Restoration Institute
Humboldt Weed Management Area
Marin Baylands Advocates
Marin Conservation League
Marin County Department of Agriculture
Mid Klamath Watershed Council
Midpeninsula Regional Open Space District
Mojave Desert Resource Conservation District
Mountains Recreation & Conservation Authority

Palos Verdes Peninsula Land Conservancy
Peninsula Open Space Trust Consultation
Plumas-Sierra Counties Department of Agriculture
Putah Creek Council
Resource Conservation District of Santa Cruz County
Resource Conservation District of the Santa Monica Mountains
Santa Barbara Botanic Garden
Santa Clara Valley Open Space Authority
Society of American Foresters – Bay Area Chapter
Sonoma County Agriculture Preservation & Open Space District
Sustainable Conservation
The Nature Conservancy
The Wildlands Conservancy
Trinidad Coastal Land Trust
Truckee River Watershed Council
Wildlands Conservancy
Yolo County Resource Conservation District
2 Individuals

Opposition

None listed

**SB 998
(Dodd)**

**DISCONTINUATION OF RESIDENTIAL
WATER SERVICE: URBAN AND
COMMUNITY WATER SYSTEMS**

**SUPPORT
AND AMEND**

Existing law, the California Safe Drinking Water Act, requires the State Water Resources Control Board (SWRCB) to administer provisions relating to the regulation of drinking water to protect public health. Under existing law, the California Public Utilities Commission (CPUC) regulates public utilities, including water corporations. Existing law requires certain notice to be given before a water corporation, public utility district, municipal utility district, or a municipally owned or operated public utility furnishing water may terminate residential service for nonpayment of a delinquent account.

SB 998 (Dodd), as amended on August 6, 2018, is intended to assist low-income water customers avoid discontinuation of water service for nonpayment by creating new statewide procedural safeguards including noticing provisions prior to discontinuation of service for nonpayment, prohibiting discontinuation of water service in specified circumstances, and providing for statewide limits on reconnection fees for low-income households. The bill also includes other provisions, such as tenant protections, enforcement provisions, and reporting requirements.

Earlier versions of SB 998 would have deleted sections 12822, 12823, and 12823.1 of EBMUD's governing act, the MUD Act, and thus eliminated protections for EBMUD's customers. These

protections include allowing tenants to become the customer of record so service does not have to be terminated, a prohibition on the discontinuation of service during the investigation of a dispute or complaint, 3rd party notification to help people over 65 and dependent adults keep their water on, more robust noticing than provided in SB 998, assisting low-income customers via the requirement to provide information on financial assistance, and requiring the restoration of wrongly-terminated service at no charge. Staff worked with the author's office to craft an alternate approach to deleting sections of the MUD Act. Accordingly, the current version of SB 998 leaves the MUD Act intact and extends certain MUD Act protections that are afforded to EBMUD's customers to all water utility customers, such as tenant notification and the ability of tenants to become the customer of record.

SB 998's provisions are discussed below.

Procedural safeguards

SB 998 would require the implementation of new procedural safeguards for discontinuation of water service due to nonpayment. Specifically, SB 998 would do the following five things: 1) require an urban and community water system, defined in the bill as a public water system that supplies water to more than 200 service connections, to have a written policy on discontinuation of residential service for nonpayment that includes specified criteria including but not limited to a plan for deferred or reduced payments and alternative payment schedules with respect to all delinquent amounts; 2) prevent discontinuation of service unless a customer has been delinquent for at least 60 days and the customer has been contacted no less than seven business days prior to discontinuation of service by phone or written notice; 3) require an urban and community water system when contacting a customer by phone regarding discontinuation of service to offer to provide the customer with the written policy and offer to discuss options to avert discontinuation, including deferred payments and alternative payment schedules; 4) require that if written notice is provided, it must include specified information, and shall be mailed to the owner of the residence, as well as the customer, if the customer's address is not where residential service is provided; and, 5) require, when telephone contact or mail delivery is not successful, an urban and community water system to make a good faith effort to visit the residence and leave or make arrangements for placement of a notice of imminent discontinuation and the urban and community water system's policy for discontinuation.

Prohibitions on discontinuation of water service

SB 998 would prohibit discontinuation of service if all of the following conditions are met: 1) the customer or tenant of a customer submits a certification from a primary care provider that discontinuation of water service would be life threatening or pose a serious threat to the health and safety of a resident where the water service is provided; 2) the customer demonstrates that he or she is unable to pay for service within the normal billing cycle – a customer would be deemed unable to pay if any member of the customer's household receives state assistance, including but not limited to CalWORKS, CalFresh, Medi-Cal, or Supplemental Security Income or the customer declares that the household's annual income is less than 200 percent of the federal poverty level; and, 3) the customer is willing to enter into an amortization agreement, alternative

payment schedule, or a plan for deferred or reduced payment. SB 998 would also prohibit discontinuation of service while an appeal of a water bill is pending.

Reconnection fees and waiver of interest fees

SB 998 would limit reconnection fees for residential customers who demonstrate that the customer's household income is below 200 percent of the federal poverty level, and require that interest charges on delinquent bills for these customers be waived once every 12 months. The bill states that "An urban and 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 recipient of 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."

Reconnection fees for these residential customers during normal business hours must be set at \$50 or less, not to exceed the actual cost of reconnection. The reconnection fee for these residential customers during nonbusiness hours must be set at \$150 or less, not to exceed the actual cost of reconnection. Beginning, January 1, 2021, both of these fees could be adjusted annually in accordance with changes in the Consumer Price Index. EBMUD currently charges \$48 for reconnections during normal business hours and \$66 during nonbusiness hours.

Tenant provisions

SB 998 provides a mechanism to protect tenants from discontinuation of service as a result of delinquent charges if the landlord is the customer of record and fails to pay the water bill by allowing a tenant or tenants to become the customer and assume responsibility for subsequent charges. SB 998 includes a provision to allow waiver of delinquent charges if a tenant in a single-family residence becomes the customer and can verify that the customer of record associated with the delinquent charges is or was the landlord. These provisions are based on the MUD Act.

Enforcement

Under SB 998, the state attorney general is authorized to sue urban and community water systems that do not comply with the bill's provisions. For urban and community water systems that are regulated by the CPUC, the bill allows the CPUC to sue those systems for failure to comply with SB 998's provisions.

Other provisions

SB 998 includes language specifying that its provisions do not apply to termination of unauthorized water service, which will allow urban and community water systems to continue to take appropriate action to address connections via meter tampering and other unauthorized connections. In addition, SB 998 requires urban and community water systems to report on their websites, and to the SWRCB, the number of annual discontinuations of residential service for inability to pay.

Discussion

According to the author, “Many low-income ratepayers face troubling tradeoffs in order to pay water bills.” Though “there are consistent lifeline programs for people having difficulty paying their electric, gas and telephone bills, there is nothing more than a local patchwork set of policies addressing long-term water bill delinquencies.” In addition, Proposition 218 restricts the ability of water agencies to provide assistance to low-income ratepayers who are unable to pay for their water.

SB 998’s objective to assist low-income water customers avoid discontinuation of service for non-payment is consistent with EBMUD’s enabling act, its Customer Assistance Policy (Policy 1.14), and its efforts to assist customers avoid discontinuation of service.

In accordance with the MUD Act and EBMUD’s Customer Assistance Policy, EBMUD provides numerous protections and programs to help customers maintain service and avoid discontinuation. Generally, customers are notified of delinquent charges 60 days after a bill is due, provided notice of a possible discontinuation of service 15 days in advance and again 48 hours prior to discontinuation. If customers pay all the delinquent charges or pay a portion of the delinquent charges to reduce the delinquent amount to below \$25 water service is not discontinued.

In addition, EBMUD offers payment plans of up to 12 months and assists customers with making arrangements to pay a bill over an extended period of time and through smaller incremental amounts, as well as offering a Customer Assistance Program (CAP) funded by non-rate revenue to provide rate assistance to low-income customers. EBMUD also provides assistance to customers with special medical needs to prevent discontinuations of service and offers a third-party notification service so that a friend or relative can be notified to intervene in advance prior to any action to discontinue service for non-payment. With regard to tenants in multi-family residences (MFR), in 2010, EBMUD sponsored SB 1035 (Hancock) to provide EBMUD with lien authority to prevent discontinuation of service for tenants of master-metered MFR. Rather than discontinuing service to tenants, liens are placed on an MFR property when an account is delinquent and the balance is \$100 or more.

EBMUD’s noticing and assistance practices are consistent with SB 998 and in some instances go further. For example, consistent with SB 998, EBMUD does not discontinue service unless a customer has been delinquent for at least 60 days, EBMUD provides information to customers on options to avoid discontinuation of service, and does not discontinue service if a customer enters into a payment plan for the delinquent charges. In some aspects EBMUD goes further than SB 998 requires. For example, EBMUD provides more time than the bill requires between notice of a discontinuation and the actual discontinuation of service. EBMUD provides notice 15 days prior to discontinuation of service where SB 998 requires notice at least seven days prior, and EBMUD provides additional notice 48 hours prior to discontinuation. In addition, EBMUD provides third-party notification so discontinuation can be avoided and utilizes lien authority to avoid discontinuation of service for MFR properties.

SB 998's intent is laudable and many of its provisions are consistent with EBMUD's existing practices. There is one area where an amendment would facilitate implementation of the bill and protect an urban and community water system from unreasonable enforcement action.

SB 998 provides protections from discontinuation of service and limits on reconnection fees for low-income customers. However, the bill uses two inconsistent requirements: (1) Section 116910(a)(2) states that a residential customer must demonstrate that they are unable to pay or that their household income is below 200 percent of the federal poverty level for these provisions to apply; and (2) Section 116914(b) states that an urban and community water system shall deem a customer to have a household income below 200 percent of the federal poverty level if any member of the household receives state assistance or the customer declares that the household income is below 200 percent of the federal poverty level. The first approach is consistent with EBMUD CAP practices of requiring the customer to provide information that EBMUD would not otherwise know. The second approach is problematic in that it would require the water system to make a determination about the household without requiring that the customer provide information to the water utility. This would place a water utility at risk of enforcement action for something the water system has no way to know. SB 998 would be strengthened by amending Section 116914(b) as follows:

116914(b) An urban and community water system shall deem a residential customer to have a household income below 200 percent of the federal poverty line if *the customer demonstrates that* any member of the household is a current recipient of 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.

The official list of support and opposition to a prior version of SB 998 is shown below. An official list of support and opposition to the current version of the bill is not available.

Support

American Civil Liberties Union of California Center for Advocacy and Policy
Audubon California
California Rural Legal Assistance Foundation
California State Association of Counties
Clean Water Action
Community Water Center
Food & Water Watch
Leadership Counsel for Justice & Accountability
League of Women Voters of California
Pacific Institute
Rural County Representatives of California
Sierra Club California
Western Center on Law & Poverty

Opposition

American Water Works Association California-Nevada Section
Association of California Water Agencies
California Municipal Utilities Association
California Special Districts Association
California Water Association
Camrosa Water District
Central Basin Water Association
City of Dinuba
City of Lakewood
City of Livermore
City of Palo Alto
City of Riverside
City of Thousand Oaks
East Orange County Water District
Eastern Municipal Water District
Elsinore Valley Water District
Irvine Ranch Water District
League of California Cities
Long Beach Water Department
Mesa Water District
Mission Springs Water District
Modesto Irrigation District
Municipal Water District of Orange County
Olivehain Municipal Water District
Regional Water Authority
San Gabriel Valley Water Association
San Diego County Water Authority
Santa Clarita Valley Water Agency
Southwest Water Coalition
Truckee Donner Public Utility District
Twentynine Palms Water District
Valley Center Municipal Water District

PROP. 3 THE WATER SUPPLY AND WATER INFORMATION
QUALITY ACT OF 2018

The Water Supply and Water Quality Act of 2018 is an \$8.9 billion general obligation bond that has qualified as an initiative and will be on the November 2018 ballot as Proposition 3.

Overview

The \$8.9 billion bond measure would provide funding for a wide variety of water and natural resource programs including water quality and supply, flood management, stormwater capture,

groundwater sustainability, watershed activities, land management, natural fisheries restoration, habitat protection and restoration, infrastructure, and infrastructure maintenance and repair. Proposition 3 also includes specific provisions to assist disadvantaged communities, often placing a priority on funding of projects that serve such communities. The 17 funding chapters are summarized below and additional detail is provided in the attached table.

- Safe Drinking Water - \$750 million;
- Water Recycling and Desalination - \$800 million;
- Water Conservation - \$365 million;
- Flood Management - \$500 million;
- Water Measurement and Information - \$60 million;
- Stormwater Capture and Use - \$550 million;
- Integrated Regional Water Management - \$5 million;
- Watershed Improvements - \$2.355 billion;
- Land and Water Management - \$100 million;
- California Conservation Corps - \$40 million;
- Central Valley Fisheries Restoration - \$400 million;
- Groundwater Sustainability and Storage - \$685 million;
- Water for Wildlife, Pacific Flyway Restoration, and Habitat Restoration - \$930 million;
- Sacramento Region Water Reliability and Habitat Protection - \$10 million;
- Bay Area Regional Reliability - \$250 million;
- Improved Conveyance and Conservation - \$855 million; and
- Oroville Dam Flood Safety - \$222 million.

Policy provisions

Proposition 3 contains provisions that are inconsistent with prior bond measures and would result in significant policy changes creating new precedents for state bonds that are of serious concern and are more appropriately addressed through the legislative process. These policy changes include the continuous appropriation of funds, inconsistencies with the beneficiary pays principle, federal government funding eligibility, and the direct allocation of other state non-bond revenues.

Continuous appropriation

Proposition 3 would continuously appropriate the funds from bond sales to more than a dozen different state departments, agencies, boards, and conservancies. The administration would have the full authority for fund allocation for most program categories. Contrary to prior bond measures, the legislature would not have the authority to appropriate funds through the annual state budget and would have little to no oversight over bond implementation. This is a departure from nearly every water and resources-related bond that has been approved by the voters.

Inconsistent with beneficiary pays

Proposition 3 strays far from the “beneficiary pays” principle by directing nearly \$1 billion to two specific agencies for operation and maintenance items – \$750 million to Friant Water

Authority for maintenance of its aqueducts and over \$200 million to the Department of Water Resources (DWR) for maintenance and repair of the Oroville Dam spillway. Not only do these payments not adhere to beneficiary pays, the payment to Oroville is based on a premature finding that Federal Emergency Management Agency and/or the United States Corps of Engineers will not contribute to the repair of Oroville. Given that the federal agencies have not yet made a determination, the bond's finding seems premature. Additionally, the repairs to the aqueducts and the spillway are the result of deferred maintenance, which should be the responsibility of the project beneficiaries, not the state taxpayers, which include EBMUD's ratepayers. These two projects alone account for more than 10 percent of the overall \$8.9 billion bond measure.

Federal government is eligible for funding

Proposition 3 allows federal agencies to compete equally with California's local governments, special districts and tribes for state-funded bond money. While prior water and resource-related bonds have allowed funding for federal projects, such as the Bay-Delta program and projects on federal land, allowing federal agencies to compete for state-funded grants and loans raises the serious policy question of whether it is appropriate for the federal government itself to be eligible for state bonds.

Allocation of other non-bond state revenues

Proposition 3 would allocate other state revenues that are not bond revenues, including Cap and Trade revenue and the Cigarette and Tobacco Products Surtax Fund revenue. The legislature has the responsibility for allocating revenues for these funds in accordance with its priorities. Proposition 3 would completely bypass the legislature by directly allocating these non-bond state revenues via continuous appropriation. No future changes to these allocations could be made without a vote of the people.

Cap and Trade Revenue

Separate from the \$8.9 billion bond, Proposition 3 would change how the state must spend some existing funding related to greenhouse gas (GHG) emission reduction revenues, also known as "Cap and Trade" revenue. Proposition 3 would require that an unspecified portion of the funding the state receives as Cap and Trade revenue be provided to the DWR, the Metropolitan Water District of Southern California, the Contra Costa Water District, and the San Luis and Delta Mendota Water Authority. Proposition 3 does not specify the amount of money that would be diverted from the Cap and Trade revenue and instead states that the amount of funding would be equal to each agency's additional electricity costs associated with state programs to reduce GHGs. The receiving water agencies would be required to spend the funds they receive on water conservation program though there is no oversight to ensure the funds are being spent appropriately or effectively.

According to the Legislative Analyst's Office (LAO), these costs could total tens of millions of dollars annually. By appropriating these funds via Proposition 3, the funds would no longer be available for the state to spend on other activities. Because the funds would be allocated via a continuous appropriation, there is no legislative oversight for allocation or expenditure of the funds.

Cigarette and Tobacco Products Surtax Fund

Proposition 3 would eliminate the sunset date in current law that requires the State Controller to annually transfer 10 percent of funds from a subaccount within the Cigarette and Tobacco Products Surtax Fund to the Habitat Conservation Fund. The current sunset date is July 1, 2020. Proposition 3 would delete the sunset so that this fund transfer would occur as a continuous appropriation in perpetuity unless changed by a vote of the people.

Fiscal considerations

State general fund

Proposition 3 is the largest water-related bond in the state's history. Since 2000, voters have approved seven water-related general obligation bonds that total about \$28.8 billion, with the most recent being Proposition 68, a \$4.1 billion bond approved by voters in June 2018. The state repays general obligation bonds from its general fund so any new bond obligates general fund revenue to cover bond repayment and debt service for the life of the bond.

According to the LAO, the state is spending about \$1 billion annually in debt service for previous water and environmental general obligation bonds, including June's Proposition 68. Proposition 3 would cost the state an additional \$433 million a year for a period of 40 years, or a total of \$17.9 billion. This will divert funds that could otherwise be used to address pressing issues of statewide concern, present a challenge to other programs that currently rely on the General Fund, and put additional pressure on the state to find alternative revenue sources to fund programs of statewide concern.

EBMUD ratepayers

There are several areas of potential funding eligibility for EBMUD, which include grant funding opportunities within the chapters addressing drinking water, recycled water, regional sustainability, habitat restoration, and watershed management. In addition, Proposition 3 would provide \$250 million in direct funding to the Bay Area Regional Reliability Partnership (BARR), of which EBMUD is one of eight member agencies. BARR has identified 15 projects at a total cost of about \$8 billion over the next decade or more and this proposed bond funding represents about 3 percent of that total.

An assessment of the four bond measures prior to this year's Proposition 68 from which funds have been appropriated – Proposition 50, Proposition 1E, Proposition 84, and Proposition 1 – revealed that EBMUD secured approximately 0.17 percent of the total funding. In an effort to estimate what benefit EBMUD ratepayers might expect to receive from Proposition 3, this same percentage was applied to the \$8.9 billion total with an additional allocation made for EBMUD's potential share of the BARR allocation. This resulted in an estimated benefit to EBMUD ratepayers on the order of about \$45 million.

When compared to the estimated cost of the bond, EBMUD ratepayers are likely to pay significantly more than the benefit they are likely to receive. EBMUD ratepayers would pay their

proportionate share (based on population) of the total bond cost \$17.3 billion, or about \$605 million for the bond.

Conclusion

Staff is not recommending a position on Proposition 3 due to the significant policy changes imbedded within the measure, the obligation of additional state general fund revenue to cover bond debt obligations, and the overall cost to EBMUD ratepayers. Though there are areas of potential funding eligibility for EBMUD, past experience indicates that any amount secured would be significantly less than the cost to EBMUD's ratepayers. Any funding that may be secured from the bond would be viewed as a way to mitigate the cost impact on EBMUD's ratepayers.

With regard to positions on prior bond measures, EBMUD did not adopt a position on the June 2018 Proposition 68, the \$4 billion California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018. EBMUD supported Proposition 1, the Water Quality, Supply, and Infrastructure Improvement Act of 2014. Proposition 1 was a \$7.545 billion bond that replaced the \$11.1 billion bond approved by the legislature in 2009. The \$11.1 billion bond was scheduled to be placed on the statewide ballot in 2010 and 2012 but was withdrawn both times. Proposition 1 was the result of reworking and reducing the original \$11.1 billion effort. EBMUD did not support the original \$11.1 billion bond when it was before the legislature or when it was scheduled for the ballot.

EBMUD also supported Proposition 84, "The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Bond Protection Act" in 2006; Proposition 1E, "The Disaster Preparedness and Flood Protection" in 2006; Proposition 40, "The California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act" in 2002; and Proposition 50, "The Water Security, Clean Drinking Water, Coastal and Beach Protection Act" of 2002.

ARC:MD:JW

Attachment

Funding Provisions of Water Supply and Water Quality Act of 2018 (2018 Water Bond)

<u>Chapter</u>	<u>Amount</u>	<u>Provisions</u>
5.1 – Safe Drinking Water	\$750,000,000	\$500M - Small systems, DACs*, ≤ \$10 million to schools \$250M - Wastewater treatment projects
5.2 – Water Recycling & Desalination	\$800,000,000	\$400M - Wastewater recycling projects \$400M - Desalination projects
5.3 – Water Conservation	\$365,000,000	\$300M - Turf removal, leak detection, toilet replacement, energy saving \$15M - Energy Commission; deployment of energy/water saving technology \$50M - Improve Delta tributary flows via agricultural water projects
5.4 – Flood Management for Improved Water Supply	\$500,000,000	\$200M – Central Valley Flood Protection Board; floodways and bypasses \$100M – Flood control reservoir repair and reoperation, including seismic retrofit \$200M – SF Bay Restoration Authority; flood management, wetlands, & restoration
5.5 – Funding for Water Measurement & Information	\$60,000,000	\$20M – DWR; develop methods and install measurement equipment \$10M – SWRCB; develop information systems to improve water rights management \$10M – Water Data Administration Fund \$20M – Specified colleges & universities
5.6 – Capture & Use of Urban Runoff and Stormwater	\$550,000,000	\$400M – Multi-benefit projects in Stormwater Resource Plans \$30M – California Tahoe Conservancy \$40M – Santa Monica Mountains Conservancy \$40M – San Gabriel & Lower LA Rivers and Mountains Conservancy \$40M – State Coastal Conservancy
5.7 – Integrated Regional Water Management (IRWM)	\$5,000,000	\$5M – Maintain ongoing IRWM planning & implementation efforts
6.1 – Watershed Improvement for Water Supply & Water Quality Enhancement	\$2,355,000,000	\$1,180M – State governmental agencies and State Coastal Conservancy \$1,150M – Local/regional conservancies, including Sierra Nevada and SF Bay \$25M – University of California
6.2 – Land & Water Management for Water Supply Improvement	\$100,000,000	\$100M – Wildlife Conservation Board; public & private rangelands, various land & riparian area improvements, increase groundwater recharge & water supply

**DACs: Disadvantaged Communities*

Funding Provisions of Water Supply and Water Quality Act of 2018 (2018 Water Bond)

<u>Chapter</u>	<u>Amount</u>	<u>Provisions</u>
6.3 – Conservation Corps	\$40,000,000	\$40M - Conservation Corps; improve water quality/supply & riparian/watershed health
6.4 – Central Valley Fisheries Restoration	\$400,000,000	\$353M – CA Natural Resources Agency; with no funds to hatcheries \$35M – CA Riparian Habitat Conservation Program \$5M – Central Valley Salmon Partnership Habitat Implementation Plan \$7M – Department of Fish & Wildlife; native fish restoration below Oroville Dam
7 – Groundwater Sustainability & Storage	\$685,000,000	\$10M – SWRCB \$640M – Groundwater sustainability agencies \$35M – Borrego Water District
8 – Water for Wildlife, Pacific Flyway Restoration, & Dynamic Habitat Restoration	\$930,000,000	\$300M – Wildlife Conservation Board; water acquisition \$50M – Department of Fish & Wildlife; projects on private lands \$300M – Wildlife Conservation Board; coastal & central valley fish restoration \$280M – Wildlife Conservation Board; protect migratory birds
8.6 – Sacramento Region Water Reliability & Habitat Protection	\$10,000,000	\$10M – Regional Water Authority and City of Sacramento; improve American River flow & temperature, increase water use efficiency and conservation
9 – Bay Area Regional Water Reliability (BARR)	\$250,000,000	\$250M – BARR; new facilities that provide region-wide benefits
10 – Improved Water Conveyance and Conservation	\$855,000,000	\$750M – Friant Water Authority; increased conveyance \$100M – CA Natural Resources Agency; San Joaquin River Restoration \$5M – DWR; planning for relocation of North Bay Aqueduct diversion
11 – Oroville Dam Flood Safety	\$222,000,000	\$200M – Oroville spillways repair and reconstruction \$21M – Feather River sediment management \$1M – Butte County emergency preparedness
TOTAL	\$8,877,000,000	

**DACs: Disadvantaged Communities*

AMENDED IN SENATE AUGUST 6, 2018

AMENDED IN SENATE JUNE 27, 2018

AMENDED IN ASSEMBLY APRIL 30, 2018

AMENDED IN ASSEMBLY APRIL 16, 2018

AMENDED IN ASSEMBLY FEBRUARY 5, 2018

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL

No. 1884

Introduced by Assembly Members Calderon and Bloom
(Coauthor: Senator Stern)

January 17, 2018

An act to add Chapter 5.2 (commencing with Section 42270) to Part 3 of Division 30 of the Public Resources Code, relating to food facilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 1884, as amended, Calderon. Food facilities: single-use plastic straws.

Existing law, the California Retail Food Code, establishes uniform health and sanitation standards for, and provides for regulation by the State Department of Public Health of, retail food facilities, as defined. Existing law defines “enforcement officer,” for purposes of enforcing these provisions, to mean certain appointees of the State Public Health Officer, and all local health officers, directors of environmental health, and their duly authorized registered environmental health specialists and environmental health specialist trainees.

Existing law prohibits certain stores from providing a single-use carryout bag to a customer at the point of sale.

This bill would prohibit a ~~food facility, full-service restaurant~~, as specified, ~~where food may be consumed on the premises~~, from providing single-use plastic straws, as defined, to consumers unless requested by the consumer. The bill would specify that the first and 2nd violations of these provisions would result in a ~~warning notice of violation~~ and any subsequent violation would be an infraction punishable by a fine of \$25 for each day the ~~food facility full-service restaurant~~ is in violation, but not to exceed an annual total of \$300. The provisions would be enforced by the same officers authorized to enforce the California Retail Food Code. By creating a new crime and imposing additional enforcement duties on local health agencies, this 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 with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

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

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

1 SECTION 1. Chapter 5.2 (commencing with Section 42270)
2 is added to Part 3 of Division 30 of the Public Resources Code, to
3 read:

4
5 CHAPTER 5.2. SINGLE-USE PLASTIC STRAWS
6

7 42270. For purposes of this chapter, the following definitions
8 shall apply:

9 (a) "Consumer" has the same meaning as in Section 113757 of
10 the Health and Safety Code.

11 (b) "Enforcement officer" has the same meaning as in Section
12 113774 of the Health and Safety Code.

13 (c) ~~"Food facility" has the same meaning as in Section 113789~~
14 ~~of the Health and Safety Code.~~

(d)

(c) “Single-use plastic straw” means a single-use, disposable tube made predominantly of plastic derived from either petroleum or a biologically based polymer, such as corn or other plant sources, used to transfer a beverage from a container to the mouth of the person drinking the beverage. “Single-use plastic straw” does not include a straw made from non-plastic materials, including, but not limited to, paper, pasta, sugar cane, wood, or bamboo.

(d) “Full-service restaurant” means an establishment with the primary business purpose of serving food, where food may be consumed on the premises, and where all of the following actions are taken by an employee of the establishment:

(1) The consumer is escorted or assigned to an assigned eating area. The employee may choose the assigned eating area or may seat the consumer according to the consumer’s need for accommodation or other request.

(2) The consumer’s food and beverage orders are taken after the consumer has been seated at the assigned seating area.

(3) The food and beverage orders are delivered directly to the consumer.

(4) Any requested items associated with the consumer’s food or beverage order are brought to the consumer.

(5) The check is delivered directly to the consumer at the assigned eating area.

42271. (a) ~~A food facility where food may be consumed on the premises. A full-service restaurant shall not provide a single-use plastic straw to a consumer unless requested by the consumer. For purposes of this section, a food facility shall not include a facility listed in paragraphs (1) through (11), inclusive, of subdivision (b) of Section 113789 of the Health and Safety Code, and shall not include a food facility with a self-service beverage station.~~

(b) This section shall be enforced by an enforcement officer. The first and second violations of subdivision (a) shall result in a ~~warning~~, notice of violation, and any subsequent violation shall constitute an infraction punishable by a fine of twenty-five dollars (\$25) for each day the ~~food facility~~ full-service restaurant is in violation, but not to exceed three hundred dollars (\$300) annually.

(c) Nothing in this section shall prevent a city, county, city and county, or other local public agency from adopting and implementing an ordinance or rule that would further restrict a

1 ~~food facility~~ *full-service restaurant* from providing a single-use
2 plastic straw to a consumer.

3 SEC. 2. No reimbursement is required by this act pursuant to
4 Section 6 of Article XIII B of the California Constitution for certain
5 costs that may be incurred by a local agency or school district
6 because, in that regard, this act creates a new crime or infraction,
7 eliminates a crime or infraction, or changes the penalty for a crime
8 or infraction, within the meaning of Section 17556 of the
9 Government Code, or changes the definition of a crime within the
10 meaning of Section 6 of Article XIII B of the California
11 Constitution.

12 However, if the Commission on State Mandates determines that
13 this act contains other costs mandated by the state, reimbursement
14 to local agencies and school districts for those costs shall be made
15 pursuant to Part 7 (commencing with Section 17500) of Division
16 4 of Title 2 of the Government Code.

AMENDED IN SENATE AUGUST 6, 2018
AMENDED IN SENATE JUNE 28, 2018
AMENDED IN ASSEMBLY MAY 25, 2018
AMENDED IN ASSEMBLY APRIL 5, 2018
AMENDED IN ASSEMBLY APRIL 2, 2018
AMENDED IN ASSEMBLY MARCH 12, 2018
CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL

No. 2370

Introduced by Assembly Members Holden and Gonzalez Fletcher

February 14, 2018

An act to amend Section 8278.3 of the Education Code, and to amend Section 1596.866 of, and to add Sections ~~1596.7996 and 1597.16~~ *1596.7996, 1597.16, and 116278* to, the Health and Safety Code, relating to lead exposure.

LEGISLATIVE COUNSEL'S DIGEST

AB 2370, as amended, Holden. Lead exposure: child day care facilities: family day care homes.

(1) Under existing law, the California Child Day Care Facilities Act, the State Department of Social Services licenses and regulates child day care facilities, as defined, and family day care home licensees. The act requires that, as a condition of licensure and in addition to any other required training, at least one director or teacher at each day care center, and each family day care home licensee who provides care, have at least 15 hours of health and safety training, covering specified components, including a preventive health practices course or courses

on recognition, management, and prevention of infectious diseases and prevention of childhood injuries. A willful or repeated violation of the act, or any rule or regulation promulgated under the act, is a misdemeanor punishable by a fine not to exceed \$1,000 or by imprisonment in a county jail for a period not to exceed 180 days, or by both the fine and imprisonment, and a serious violation of the act is subject to daily civil penalties, as specified.

This bill would additionally require, as a condition of licensure for licenses issued on or after July 1, 2020, the health and safety training to include instruction in the prevention of lead exposure as a part of the preventive health practices course or courses component. The bill would require the child day care facility, upon enrolling or reenrolling any child, to provide the parent or guardian with written information on the risks and effects of lead exposure, blood lead testing recommendations and requirements, and options for obtaining blood lead testing, as specified.

This bill, on or before July 1, 2021, would require the State Department of Social Services, in consultation with the State Water Resources Control Board (state board), to adopt regulations for the testing of drinking water at licensed child day care centers to ensure ~~that the drinking water is lead free. lead levels in a center's drinking water do not exceed the relevant action level established by the state board. The bill would require an entity collecting or delivering a center's drinking water sample to a laboratory to verify, under penalty of perjury, that the collection or delivery was performed in accordance with guidelines specified in the bill.~~ The bill would require the adoption of regulations by the department to include a specified public stakeholder process, as specified. The bill would require the regulations to include, among other things, ~~a requirement that the drinking water testing results shall be submitted to the state board within 3 months of testing, and timelines by which the state board shall transmit the testing data to the department. The bill would authorize the department to deem a licensed child day care center provider that tests its drinking water after December 31, 2018, but before the adoption of regulations under the bill, to have satisfied the initial drinking water test required by the bill, under prescribed circumstances.~~ Because a violation of certain requirements of this bill or regulations adopted under the bill would be a crime, ~~and because the bill would expand the crime of perjury,~~ the bill would impose a state-mandated local program.

This bill would require the state board to provide grants for testing drinking water lead levels in licensed child day care centers and other specified activities, from any funds appropriated to the state board in the Budget Act of 2018 for those purposes.

(2) 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, including, but not limited to, conducting research, studies, and demonstration programs relating to the provision of a dependable, safe supply of drinking water, enforcing the federal Safe Drinking Water Act, adopting implementing regulations, and conducting studies and investigations to assess the quality of water in private domestic water supplies.

This bill would require the state board, by January 1, 2020, to develop guidelines for the collection, delivery to laboratories, and testing of child day care center drinking water samples, as specified. The bill would authorize the state board to identify certified or licensed entities qualified to collect and deliver a valid drinking water sample

~~(2)~~

(3) Existing law, the Child Care and Development Services Act, has a purpose of providing a comprehensive, coordinated, and cost-effective system of child care and development services for children from infancy to 13 years of age and their parents, including a full range of supervision, health, and support services through full- and part-time programs. Existing law establishes the Child Care Facilities Revolving Fund in the State Treasury to provide funding for loans for the renovation, repair, or improvement of an existing building to make the building suitable for licensure for child care and development services, and for the purchase of new relocatable child care facilities for the lease to local educational agencies and contracting agencies that provide child care and development services.

This bill would specify that a licensed child day care center is eligible to apply for, and receive, loan funding pursuant to these provisions. The bill would require a licensed child day care center that receives loan funding pursuant to these provisions to demonstrate both a financial need and a lack of reasonable alternative funding sources.

~~(3)~~

(4) 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:

1 SECTION 1. Section 8278.3 of the Education Code is amended
2 to read:

3 8278.3. (a) (1) The Child Care Facilities Revolving Fund is
4 hereby established in the State Treasury to provide funding for
5 loans for the renovation, repair, or improvement of an existing
6 building to make the building suitable for licensure for child care
7 and development services, and for the purchase of new relocatable
8 child care facilities for lease to local educational agencies and
9 contracting agencies that provide child care and development
10 services, pursuant to this chapter. The Superintendent may transfer
11 state funds appropriated for child care facilities into this fund for
12 allocation to local educational agencies and contracting agencies,
13 as specified, for the purchase, transportation, and installation of
14 facilities for replacement and expansion of capacity. Local
15 educational agencies and contracting agencies using facilities
16 purchased by the use of these funds shall be charged a leasing fee,
17 either at a fair market value for those facilities or at an amount
18 sufficient to amortize the cost of purchase and relocation,
19 whichever amount is lower, over a 10-year period. Upon full
20 repayment of the purchase and relocation costs, title shall transfer
21 from the State of California to the local educational agency or
22 contracting agency. Loans for renovation or repair shall be repaid
23 within a period that does not exceed 10 years. The Superintendent
24 shall deposit all revenue derived from the lease payments or
25 renovation or repair loan repayments into the Child Care Facilities
26 Revolving Fund.

27 (2) Notwithstanding Section 13340 of the Government Code,
28 all moneys in the fund, including moneys deposited from lease
29 payments or loan repayments, are continuously appropriated,
30 without regard to fiscal years, to the Superintendent for expenditure
31 pursuant to this article.

32 (3) Augmentations to the Child Care Facilities Revolving Fund
33 made in the Budget Act of 2014 shall be used for loans for

renovation or repair of existing local educational agency facilities to ensure those facilities meet applicable health and safety standards or the purchase of new relocatable child care facilities for lease to local educational agencies, for the purpose of expanding access to California state preschool program services pursuant to this chapter.

(b) On or before August 1 of each fiscal year, the Superintendent shall submit to the Department of Finance and the Legislative Analyst's Office a report detailing the number of funding requests received and their purpose, the types of agencies that received funding from the Child Care Facilities Revolving Fund, the increased capacity that these facilities generated, a description of the manner in which the facilities are being used, and a projection of the lease payments and loan repayments collected and the funds available for future use.

(c) A local educational agency that provides child care pursuant to the California School Age Families Education Program (Article 7.1 (commencing with Section 54740) of Chapter 9 of Part 29 of Division 4 of Title 2) is eligible to apply for and receive funding pursuant to this section.

(d) A licensed child day care center, as defined in Section 1596.76 of the Health and Safety Code, is eligible to apply for, and receive, loan funding pursuant to this section to remediate lead contamination at its center and to pay for drinking water system improvements that are necessary to ensure that the center's drinking water is lead free, ~~as determined by the regulations established by the State Department of Social Services, pursuant to Section 1597.16 of the Health and Safety Code.~~ *does not contain lead levels that exceed the relevant action level established by the State Water Resources Control Board.* A licensed child day care center that receives loan funding pursuant to this section shall demonstrate both a financial need and a lack of reasonable alternative funding sources.

SEC. 2. Section 1596.7996 is added to the Health and Safety Code, to read:

1596.7996. (a) A licensed child day care facility, upon enrolling or reenrolling any child, shall provide the parent or guardian with written information, to be developed by the department, in consultation with the State Department of Public Health, on all of the following:

1 (1) Risks and effects of lead exposure.

2 (2) Blood lead testing recommendations and requirements.

3 (3) Options for obtaining blood lead testing, including any state
4 or federally funded programs that offer free or discounted tests.

5 (b) For purposes of this section, “child day care facility” has
6 the same meaning as in Section 1596.750.

7 SEC. 3. Section 1596.866 of the Health and Safety Code is
8 amended to read:

9 1596.866. (a) (1) In addition to other required training, at
10 least one director or teacher at each day care center, and each
11 family day care home licensee who provides care, shall have at
12 least 15 hours of health and safety training, and if applicable, at
13 least one additional hour of training pursuant to clause (ii) of
14 subparagraph (C) of paragraph (2).

15 (2) The training shall include the following components:

16 (A) Pediatric first aid.

17 (B) Pediatric cardiopulmonary resuscitation (CPR).

18 (C) (i) A preventive health practices course or courses that
19 include instruction in the recognition, management, and prevention
20 of infectious diseases, including immunizations, prevention of
21 childhood injuries, and, for licenses issued on and after July 1,
22 2020, instruction in the prevention of lead exposure.

23 (ii) For licenses issued on or after January 1, 2016, at least one
24 director or teacher at each day care center, and each family day
25 care home licensee who provides care, shall have at least one hour
26 of childhood nutrition training as part of the preventive health
27 practices course or courses.

28 (3) The training may include instruction in sanitary food
29 handling, emergency preparedness and evacuation, and caring for
30 children with special needs.

31 (b) Day care center directors and licensees of family day care
32 homes shall ensure that at least one staff member who has a current
33 course completion card in pediatric first aid and pediatric CPR
34 issued by the American Red Cross, the American Heart
35 Association, or by a training program that has been approved by
36 the Emergency Medical Services Authority pursuant to this section
37 and Section 1797.191 shall be onsite at all times when children
38 are present at the facility, and shall be present with the children
39 when children are offsite from the facility for facility activities.
40 Nothing in this subdivision shall be construed to require, in the

1 event of an emergency, additional staff members, who are onsite
2 when children are present at the facility, to have a current course
3 completion card in pediatric first aid and pediatric CPR.

4 (c) (1) The completion of health and safety training by all
5 personnel and licensees described in subdivision (a) shall be a
6 condition of licensure.

7 (2) Training in pediatric first aid and pediatric CPR by persons
8 described in subdivisions (a) and (b) shall be current at all times.
9 Training in preventive health practices, as described in
10 subparagraph (C) of paragraph (2) of subdivision (a), is a one-time
11 only requirement for persons described in subdivision (a).

12 (3) The department shall issue a provisional license for otherwise
13 qualified applicants who are not in compliance with this section.
14 This provisional license shall expire 90 days after the date of
15 issuance and shall not be extended.

16 (4) A notice of deficiency shall be issued by the department at
17 the time of a site visit to a licensee who is not in compliance with
18 this section. The licensee shall, at the time the notice is issued,
19 develop a plan of correction to correct the deficiency within 90
20 days of receiving the notice. The facility's license may be revoked
21 if it fails to correct the deficiency within the 90-day period. Section
22 1596.890 shall not apply to this paragraph.

23 (d) Completion of the training required pursuant to subdivisions
24 (a) and (b) shall be demonstrated, upon request of the licensing
25 agency, by the following:

26 (1) Current pediatric first aid and pediatric CPR course
27 completion cards issued by the American Red Cross, the American
28 Heart Association, or by a training program approved by the
29 Emergency Medical Services Authority pursuant to Section
30 1797.191.

31 (2) (A) A course completion card for a preventive health
32 practices course or courses, as described in subparagraph (C) of
33 paragraph (2) of subdivision (a), issued by a training program
34 approved by the Emergency Medical Services Authority pursuant
35 to Section 1797.191.

36 (B) Persons who, before September 21, 1998, have completed
37 a course or courses in preventive health practices, as described in
38 clause (i) of subparagraph (C) of paragraph (2) of subdivision (a),
39 and have a certificate of completion of a course or courses in
40 preventive health practices, or certified copies of transcripts that

1 identify the number of hours and the specific course or courses
2 taken for training in preventive health practices, shall be deemed
3 to have met the training in preventive health practices.

4 (3) In addition to training programs specified in paragraphs (1)
5 and (2), training programs or courses in pediatric first aid, pediatric
6 CPR, and preventive health practices offered or approved by an
7 accredited college or university are considered to be approved
8 sources of training that may be used to satisfy the training
9 requirements of paragraph (2) of subdivision (a). Completion of
10 this training shall be demonstrated to the licensing agency by a
11 certificate of course completion, course completion cards, or
12 certified copies of transcripts that identify the number of hours
13 and the specified course or courses taken for the training, as defined
14 in paragraph (2) of subdivision (a).

15 (e) The training required under subdivision (a) shall not be
16 provided by a home study course. This training may be provided
17 through in-service training, workshops, or classes.

18 (f) All personnel and licensees described in subdivisions (a) and
19 (b) shall maintain current course completion cards for pediatric
20 first aid and pediatric CPR issued by the American Red Cross, the
21 American Heart Association, or by a training program approved
22 by the Emergency Medical Services Authority pursuant to Section
23 1797.191, or shall have current certification in pediatric first aid
24 and pediatric CPR from an accredited college or university in
25 accordance with paragraph (3) of subdivision (d).

26 (g) The department shall have the authority to grant exceptions
27 to the requirements imposed by this section in order to meet the
28 requirements of the federal Americans with Disabilities Act of
29 1990 (42 U.S.C. Sec. 12101 et seq.).

30 (h) The department shall adopt regulations to implement this
31 section.

32 SEC. 4. Section 1597.16 is added to the Health and Safety
33 Code, to read:

34 1597.16. (a) On or before July 1, 2021, the department, in
35 consultation with the State Water Resources Control Board, shall
36 adopt regulations for the testing of drinking water at licensed child
37 day care centers, as defined in Section 1596.76, to ensure that ~~the~~
38 ~~drinking water is lead-free.~~ *lead levels in a center's drinking water*
39 *do not exceed the relevant action level established by the State*

1 *Water Resources Control Board. The regulations shall include, at*
2 *a minimum, all of the following:*

3 (1) *A requirement that a licensed child day care center shall*
4 ~~*provide potable, noncontaminated drinking water to children in*~~
5 ~~*its care; not provide to children in its care drinking water that*~~
6 ~~*contains lead levels that exceed the relevant action level*~~
7 ~~*established by the State Water Resources Control Board.*~~

8 (2) *A requirement that initial testing of drinking water at a*
9 *licensed child day care center, if the building was constructed*
10 *before January 1, 2010, shall be performed by January 1, 2023,*
11 *and that periodic testing is performed every five years thereafter.*

12 (A) *Drinking water testing and sample collection shall be*
13 *performed in accordance with guidelines developed by the State*
14 *Water Resources Control Board pursuant to Section 116278.*

15 (B) *The following entities may collect a center's drinking water*
16 *sample for testing, and deliver it to be tested:*

17 (i) *A regulator.*

18 (ii) *An environmental laboratory accredited pursuant to Article*
19 *3 (commencing with Section 100825) of Chapter 4 of Part 1 of*
20 *Division 101.*

21 (iii) *A child day care center provider. If a child day care center*
22 *provider collects the sample, the provider shall ensure that at least*
23 *two parents of children enrolled in the center attest in writing that*
24 *the sample was collected and delivered to be tested in accordance*
25 *with the guidelines developed pursuant to Section 116278. Parents*
26 *attesting to the appropriate collection and delivery shall not have*
27 *a fiduciary or employment interest in the center.*

28 (iv) *Any other licensed or certified entity that the State Water*
29 *Resources Control Board determines, pursuant to subdivision (d)*
30 *of Section 116278, is qualified to collect and deliver a valid sample.*

31 (C) *An entity collecting or delivering a center's drinking water*
32 *sample to a laboratory shall verify in writing under penalty of*
33 *perjury that the collection and delivery of the sample was*
34 *performed in accordance with the guidelines developed pursuant*
35 *to Section 116278.*

36 (D) *Testing of a child day care center's drinking water shall be*
37 *performed by an environmental laboratory accredited pursuant*
38 *to Article 3 (commencing with Section 100825) of Chapter 4 of*
39 *Part 1 of Division 101. Environmental laboratories shall submit*
40 *all test results to the State Water Resources Control Board.*

1 (E) Drinking water samples shall be periodically audited to
2 ensure that the required sampling and delivery guidelines
3 developed pursuant to Section 116278 are followed.

4 ~~(3) A requirement that the drinking water testing results shall~~
5 ~~be submitted to the State Water Resources Control Board within~~
6 ~~three months of testing, and timelines~~ *Timelines* by which the State
7 Water Resources Control Board shall transmit the testing data to
8 the department.

9 (4) A fair and reasonable enforcement mechanism.

10 (5) Parental notification requirements.

11 (A) Parental notification requirements shall include the
12 requirement that parents of children enrolled in a center shall be
13 notified in advance of:

14 (i) A center's plan to test its drinking water.

15 (ii) The time and date of the sample collection and testing.

16 (iii) The sample collection and testing guidelines that are
17 required to be followed.

18 (iv) The entity or entities that will collect the sample and test
19 the water.

20 (B) Parents shall be allowed to observe the sample's collection
21 and delivery to an accredited environmental laboratory.

22 (C) Parents shall be informed of all test results and any
23 remediation action taken to ensure that lead levels in a center's
24 drinking water do not exceed the relevant action level established
25 by the State Water Resources Control Board.

26 (b) In adopting regulations under this section, the department
27 shall include a public stakeholder process. Participating
28 stakeholders may include, but are not limited to, all of the
29 following:

30 (1) Child care providers.

31 (2) Child care workers.

32 (3) Parents of children in care.

33 (4) Child care resource and referral networks.

34 (5) Public water agencies.

35 (6) State public health and environmental agencies.

36 (7) County public and environmental health officers.

37 (8) Regional centers.

38 (9) Pediatricians.

39 (10) Academic researchers.

40 (11) Environmental health advocates.

(12) Clean water advocates.

(13) Advocates for children's rights, children's health, individuals with developmental disabilities, and families receiving public assistance.

~~(e) As used in this section, "nonecontaminated drinking water" means, among other qualifications, as determined by the department, in consultation with the State Water Resources Control Board, drinking water that is lead-free.~~

~~(d) A licensed child day care center provider that tests the center's drinking water after December 31, 2018, but before the adoption of regulations under subdivision (a), shall be deemed by the department to have satisfied the initial drinking water test required by paragraph (2) of subdivision (a), but not the subsequent tests required by that paragraph, if all of the following apply:~~

~~(1) The test is performed in accordance with procedures approved by the State Water Resources Control Board.~~

~~(2) The test results demonstrate that the drinking water at the center is potable and nonecontaminated.~~

~~(3) The provider submits the test results to the department, via the State Water Resources Control Board, as required by paragraph (3) of subdivision (a).~~

SEC. 5. Section 116278 is added to the Health and Safety Code, to read:

116278. (a) By January 1, 2020, the state board shall develop guidelines for the collection, delivery to laboratories, and testing of child day care center drinking water samples, as required pursuant to Section 1597.16. The guidelines developed pursuant to this section shall include protocols to ensure that the samples collected and delivered are valid.

(b) The state board shall collect the results of drinking water tests performed in accordance with Section 1597.16 and provide those results to the State Department of Social Services. When providing these results to the department, the state board shall identify those tests that indicate a center's drinking water contains lead levels that exceed the relevant action level established by the state board.

(c) The state board shall post the results of all drinking water tests performed in accordance with Section 1597.16, or child day care center drinking water tests paid for by any funds appropriated to the board in the Budget Act of 2018, on the state board's Internet

1 *Web site. The posted test results shall identify those tests that*
2 *indicate a center's drinking water contains lead levels that exceed*
3 *the relevant action level established by the state board.*

4 *(d) The state board may identify certified or licensed entities*
5 *qualified to collect and deliver a valid drinking water sample.*

6 *(e) (1) Upon the state board's adoption of the guidelines*
7 *required by this section, child day care center drinking water tests*
8 *paid for by funds appropriated to the state board in the Budget*
9 *Act of 2018 shall comply with subparagraphs (A) to (E), inclusive,*
10 *of paragraph (2) of, and paragraph (5) of, subdivision (a) of*
11 *Section 1597.16.*

12 *(2) Upon the state board's adoption of guidelines to expend*
13 *funds appropriated to it in the Budget Act of 2018 to pay for child*
14 *day care center drinking water tests, any tests funded through that*
15 *appropriation prior to the adoption of guidelines under paragraph*
16 *(1) of this subdivision shall comply with subparagraphs (A) to (E),*
17 *inclusive, of paragraph (2) of, and paragraph (5) of, subdivision*
18 *(a) of Section 1597.16.*

19 ~~SEC. 5.~~

20 *SEC. 6. The State Water Resources Control Board shall provide*
21 *grants for testing drinking water lead levels in licensed child day*
22 *care centers, remediating lead in drinking water systems of child*
23 *day care centers, as defined in Section 1596.76 of the Health and*
24 *Safety Code, and providing technical assistance to child care*
25 *centers requiring help applying for the grants, from any funds*
26 *appropriated to the board in the Budget Act of 2018 for those*
27 *purposes.*

28 ~~SEC. 6.~~

29 *SEC. 7. No reimbursement is required by this act pursuant to*
30 *Section 6 of Article XIII B of the California Constitution because*
31 *the only costs that may be incurred by a local agency or school*
32 *district will be incurred because this act creates a new crime or*
33 *infraction, eliminates a crime or infraction, or changes the penalty*
34 *for a crime or infraction, within the meaning of Section 17556 of*
35 *the Government Code, or changes the definition of a crime within*
36 *the meaning of Section 6 of Article XIII B of the California*
37 *Constitution.*

AMENDED IN SENATE JUNE 13, 2018

AMENDED IN ASSEMBLY MAY 25, 2018

AMENDED IN ASSEMBLY APRIL 4, 2018

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL

No. 2470

Introduced by Assembly Members Grayson and Gonzalez Fletcher

February 14, 2018

~~An act to add Division 37.5 (commencing with Section 72000) to the Public Resources Code, relating to invasive species. An act to amend Section 7271 of, and to add Part 4.5 (commencing with Section 7700) to Division 4 of, the Food and Agricultural Code, relating to invasive species.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 2470, as amended, Grayson. ~~Invasive species.~~ *Invasive Species Council of California: California Invasive Species Advisory Committee.*

(1) Under existing law, the Department of Food and Agriculture is designated as the lead department in noxious weed management, and requires the department, in cooperation with the Secretary of the Natural Resources Agency, to implement provisions relating to noxious weed management.

This bill would establish the Invasive Species Council of California, with a prescribed membership, to help coordinate a comprehensive effort to prevent the introduction of invasive species in the state and to provide for the control or eradication of invasive species already established in the state, as specified.

This bill would establish the California Invasive Species Advisory Committee, with a prescribed membership, to advise the council on a

broad array of issues related to preventing the introduction of invasive species and providing for their control or eradication, as well as minimizing the economic, ecological, and human health impacts that invasive species cause, as specified.

This bill would require the council and the advisory committee to coordinate with state and local public agencies, publicly funded educational institutions, and stakeholder groups to develop a plan for the cure or suppression of diseases associated with the spread of invasive shot hole borers.

(2) Existing law creates the Noxious Weed Management Account in the Department of Food and Agriculture Fund, and provides for the allocation of those moneys, by percentage, for specified purposes, including control and abatement and research, and to the department for purposes of carrying out those provisions relating to noxious weed management.

This bill would establish the Invasive Species Fund, and moneys in the fund would be available, upon appropriation, to the council for the purposes of funding invasive species projects and activities recommended by the advisory committee

This bill would revise the purposes for which 20% of the moneys in the Noxious Weed Management Account are to be allocated for research to instead be made available through a grant program administered by the department for proposals evaluated in consultation with the advisory committee and the Range Management Advisory Committee, with an emphasis placed on the funding of needs-based, applied and practical research, as specified.

This bill would authorize moneys from the Noxious Weed Management Account to be available, upon appropriation, to the Secretary of Food and Agriculture for allocation to projects for the control and abatement of noxious and invasive weeds.

This bill would authorize the secretary to allocate moneys, upon appropriation, to the University of California, Agriculture and Natural Resources, or another qualified academic or research institution for invasive species research and outreach activities that are coordinated with the council and recommended by the advisory committee.

~~Existing law regulates the discharge of nonindigenous species into the waters of the state or into waters that may impact waters of the state, through ballast water management requirements.~~

~~This bill would establish the Invasive Species Council of California, composed as prescribed, to help coordinate a comprehensive effort to~~

prevent the introduction of invasive species in the state and to provide for the control or eradication of invasive species already established in the state. The bill would establish a California Invasive Species Advisory Committee to advise the council on a broad array of issues related to preventing the introduction of invasive species and providing for their control or eradication, as well as minimizing the economic, ecological, and human health impacts that invasive species cause. The bill would establish the Invasive Species Fund and, upon appropriation by the Legislature, moneys in the fund would be available for the purposes of funding invasive species projects. The bill would provide that upon appropriation by the Legislature, funding would be available to the University of California for invasive species research and outreach activities that are coordinated with the council and recommended by the committee.

Existing law designates the Department of Food and Agriculture as the lead department in noxious weed management and provides for the formation of a weed management area. Under existing law, a weed management area is a local organization that brings together all interested landowners, land managers, special districts, and the public in a county or other geographical area for the purpose of coordinating and combining their action and expertise to deal with their common weed control problems.

This bill would provide that, upon appropriation by the Legislature, funding would be available to the Secretary of Food and Agriculture to be allocated to the Noxious Weed Management Account for projects for the control and abatement of noxious and invasive weeds.

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

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

- 1 SECTION 1. Section 7271 of the Food and Agricultural Code
- 2 is amended to read:
- 3 7271. (a) The Legislature designates the Department of Food
- 4 and Agriculture department as the lead department in noxious
- 5 weed management and the department is responsible for the
- 6 implementation of this article in cooperation with the Secretary of
- 7 the Natural Resources Agency.
- 8 (b) There is hereby created in the Department of Food and
- 9 Agriculture Fund the Noxious Weed Management Account.

(c) ~~Funds~~ *Moneys* appropriated for expenditure by the secretary for *the* purposes of this article may be spent without regard to fiscal year and shall be allocated as follows:

(1) Sixty percent of *the* moneys in the account shall be made available to eligible weed management areas or county agricultural commissioners for the control and abatement of noxious and invasive weeds according to an approved integrated weed management plan. These control moneys shall be made available through a grant program administered by the department. Proposals shall be evaluated based on *the* strategic importance for local and regional eradication of high priority noxious and invasive weeds.

(2) (A) Twenty percent shall be made available toward research on the biology, ecology, or management of noxious and invasive ~~weeds, and weeds; the~~ mapping, risk assessment, and prioritization ~~of weeds; weeds; and the prevention of weed introduction and spread.~~ These ~~research~~ moneys shall be made available to qualified ~~researchers~~ *applicants* through a grant program administered by the department. Proposals shall be evaluated in consultation with the *California Invasive Species Advisory Committee, established pursuant to Section 7702, and the Range Management Advisory Committee, established pursuant to Section 741 of the Public Resources Code*, with an emphasis placed on funding of needs-based, applied and practical research.

(B) *For purposes of this paragraph, a qualified applicant includes nonprofits, publicly funded educational institutions, state and local agencies, and California Native American tribes.*

(3) Twenty percent shall be made available to the department, and shall only be used for the following purposes:

(A) Carrying out the provisions of this article.

(B) Developing noxious weed control strategies.

(C) Seeking new, effective biological control agents for the long-term control of noxious weeds.

(D) Conducting private and public workshops as needed to discuss and plan weed management strategies with all interested and affected local, state, and federal agencies, private landowners, educational institutions, interest groups, and county agricultural commissioners.

(E) Appointing a noxious weed coordinator and weed mapping specialist to assist in weed inventory, mapping, and control strategies.

1 SEC. 2. *Part 4.5 (commencing with Section 7700) is added to*
2 *Division 4 of the Food and Agricultural Code, to read:*

3
4 PART 4.5. *INVASIVE SPECIES COUNCIL OF CALIFORNIA*

5
6 7700. (a) *There is in state government the Invasive Species*
7 *Council of California. The purpose of the council is to help*
8 *coordinate a comprehensive effort to prevent the introduction of*
9 *invasive species in the state and to provide for the control or*
10 *eradication of invasive species already established in the state.*
11 *The council shall address nonnative organisms that cause economic*
12 *or environmental harm. Invasive species within the scope of the*
13 *council's duties do not include humans, domestic livestock,*
14 *domestic or domesticated species exempted pursuant to Section*
15 *2118 of the Fish and Game Code, or nonharmful exotic organisms.*

16 (b) *The Invasive Species Council of California shall consist of*
17 *the following six members:*

18 (1) *The secretary or his or her designated representative.*

19 (2) *The Secretary of the Natural Resources Agency or his or*
20 *her designated representative.*

21 (3) *The Secretary for Environmental Protection or his or her*
22 *designated representative.*

23 (4) *The Secretary of Transportation or his or her designated*
24 *representative.*

25 (5) *The Secretary of California Health and Human Services or*
26 *his or her designated representative.*

27 (6) *The Director of Emergency Services or his or her designated*
28 *representative.*

29 (c) *The Secretary of the Natural Resources Agency, or his or*
30 *her designated representative, and the secretary, or his or her*
31 *designee, shall serve as co-chairs of the council.*

32 (d) *The Invasive Species Council of California shall meet*
33 *annually and as needed as determined by the co-chairs.*

34 (e) *The Invasive Species Council of California shall select an*
35 *executive director and a liaison to further the purposes of this part.*

36 7702. (a) *There is in state government the California Invasive*
37 *Species Advisory Committee. The purpose of the committee is to*
38 *advise the Invasive Species Council of California on a broad array*
39 *of issues related to preventing the introduction of invasive species*
40 *and providing for their control or eradication, as well as*

1 *minimizing the economic, ecological, and human health impacts*
2 *that invasive species cause.*

3 *(b) The California Invasive Species Advisory Committee shall*
4 *consist of the following 19 members:*

5 *(1) Four members designated by the secretary.*

6 *(2) Four members designated by the Secretary of the Natural*
7 *Resources Agency or his or her designated representative.*

8 *(3) One member appointed by the Secretary for Environmental*
9 *Protection or his or her designated representative.*

10 *(4) One member appointed by the Secretary of Transportation*
11 *or his or her designated representative.*

12 *(5) One member appointed by the Secretary of California Health*
13 *and Human Services or his or her designated representative.*

14 *(6) One member appointed by the Director of Emergency*
15 *Services or his or her designated representative.*

16 *(7) Six members appointed by the Invasive Species Council of*
17 *California co-chairs to create a diverse makeup of federal,*
18 *nonprofit organization, tribal, industry, and other representatives.*

19 *(8) One member appointed by the California Agricultural*
20 *Commissioners and Sealers Association.*

21 *(c) The California Invasive Species Advisory Committee shall*
22 *meet quarterly and as needed as determined by the co-chairs of*
23 *the Invasive Species Council of California.*

24 *7704. (a) (1) The Invasive Species Council of California shall*
25 *develop a report in coordination with the California Invasive*
26 *Species Advisory Committee through a public process and submit*
27 *the report to the advisory committee.*

28 *(2) The California Invasive Species Advisory Committee shall*
29 *review and approve the report.*

30 *(3) Once reviewed and approved by the California Invasive*
31 *Species Advisory Committee, the final report shall be submitted*
32 *to the Legislature and be available for public review.*

33 *(4) A report to be submitted pursuant to paragraph (3) shall be*
34 *submitted in compliance with Section 9795 of the Government*
35 *Code.*

36 *(b) The California Invasive Species Advisory Committee may*
37 *hold an annual California Invasive Species Summit to develop new*
38 *recommendations and to coordinate invasive species activities.*

1 (c) *The California Invasive Species Advisory Committee shall*
2 *recommend expenditures from the Invasive Species Fund to the*
3 *Invasive Species Council of California.*

4 7706. *The Invasive Species Fund is hereby established in the*
5 *State Treasury. Moneys in the fund are available, upon*
6 *appropriation by the Legislature, to the Invasive Species Council*
7 *of California for the purposes of funding invasive species projects*
8 *and activities recommended by the California Invasive Species*
9 *Advisory Committee. Those projects and activities may include,*
10 *but are not limited to, any of the following:*

11 (a) *The prevention of the introduction of invasive species.*

12 (b) *The detection, control, and eradication of invasive species.*

13 (c) *Emergency and nonemergency detection and rapid response*
14 *activities.*

15 (d) *The conducting of comprehensive reports on the ecological,*
16 *agricultural, and economic impacts of invasive species.*

17 (e) *The development and maintenance of statewide surveys and*
18 *mapping of high-risk areas.*

19 (f) *The development of statewide education, outreach, and*
20 *branding of invasive species.*

21 (g) *Increased coordination and collaboration amongst invasive*
22 *species partners.*

23 (h) *Increased inspections at state and national boundaries.*

24 7708. (a) *The Invasive Species Council of California and the*
25 *California Invasive Species Advisory Committee shall coordinate*
26 *with state and local public agencies, publicly funded educational*
27 *institutions, and stakeholder groups to develop a plan for the cure*
28 *or suppression of diseases associated with the spread of invasive*
29 *shot hole borers, including, but not limited to, the Polyphagous*
30 *and Kuroshio shot hole borers.*

31 (b) (1) *Upon the completion of the plan required pursuant to*
32 *subdivision (a), the department, subject to the availability of*
33 *appropriations, shall support the efforts of state and local agencies,*
34 *California Native American tribes, and nonprofits to cure or*
35 *suppress the diseases affiliated with the invasive shot hole borer*
36 *infestation as provided in paragraph (2).*

37 (2) *Support provided by the department pursuant to this section*
38 *may include, but is not limited to, the following:*

39 (A) *Grants to support research related to the identification of*
40 *infected trees and methods to prevent further infestation.*

1 (B) Grants to state and local agencies, California Native
2 American tribes, and nonprofits to support suppression or cure
3 efforts.

4 (c) No state moneys shall be awarded to a local agency pursuant
5 to subdivision (b) unless the local agency has contributed from
6 local resources a dollar amount that is equal to the dollar amount
7 of state moneys to be awarded or the local agency is located in a
8 disadvantaged community, as identified pursuant to Section 39711
9 of the Health and Safety Code.

10 7710. (a) Upon appropriation by the Legislature, moneys from
11 the Noxious Weed Management Account, created pursuant to
12 Section 7271, shall be available to the secretary for allocation to
13 projects for the control and abatement of noxious and invasive
14 weeds.

15 (b) (1) Upon appropriation by the Legislature, moneys may be
16 allocated by the secretary to the University of California,
17 Agriculture and Natural Resources, or another qualified academic
18 or research institution for invasive species research and outreach
19 activities that are coordinated with the Invasive Species Council
20 of California and recommended by the California Invasive Species
21 Advisory Committee. These moneys may be allocated to
22 complement the research and outreach needs of the Invasive
23 Species Council of California and recommended by the California
24 Invasive Species Advisory Committee.

25 (2) For purposes of this subdivision, research and outreach
26 activities include, but are not limited to, training events,
27 educational materials, and online resources.

28 ~~SECTION 1. Division 37.5 (commencing with Section 72000)~~
29 ~~is added to the Public Resources Code, to read:~~

30
31 ~~DIVISION 37.5. INVASIVE SPECIES COUNCIL OF~~
32 ~~CALIFORNIA~~
33

34 ~~72000. (a) There is in state government the Invasive Species~~
35 ~~Council of California. The purpose of the council is to help~~
36 ~~coordinate a comprehensive effort to prevent the introduction of~~
37 ~~invasive species in California and to provide for the control or~~
38 ~~eradication of invasive species already established in the state. The~~
39 ~~council shall address nonnative organisms that cause economic or~~
40 ~~environmental harm. Invasive species within the scope of the~~

1 council's duties do not include humans, domestic livestock, or
2 nonharmful exotic organisms.

3 (b) The council shall consist of the following eight members:

4 (1) The Secretary of Food and Agriculture or his or her
5 designated representative.

6 (2) The Secretary of the Natural Resources Agency or his or
7 her designated representative.

8 (3) The Secretary for Environmental Protection or his or her
9 designated representative.

10 (4) The Secretary of Transportation or his or her designated
11 representative.

12 (5) The Secretary of California Health and Human Services or
13 his or her designated representative.

14 (6) The Director of Emergency Services or his or her designated
15 representative.

16 (7) The Director of the Department of Forestry and Fire
17 Protection or his or her designated representative.

18 (8) The Chair of the State Lands Commission or his or her
19 designated representative.

20 (c) The Secretary of the Natural Resources Agency, or his or
21 her designated representative, and the Secretary of Food and
22 Agriculture, or his or her designee, shall serve as cochairpersons
23 of the council.

24 (d) The council shall meet annually and as needed as determined
25 by the cochairpersons.

26 (e) The council shall select an executive director and a liaison
27 to further the purposes of this division.

28 (f) (1) The council shall review and approve a yearly progress
29 report submitted by the California Invasive Species Advisory
30 Committee. The council shall develop a final approved report in
31 coordination with the committee through a public process. Once
32 approved by the council, the final report shall be sent to the
33 Legislature and available for public review and comment.

34 (2) A report to be submitted pursuant to paragraph (1) shall be
35 submitted in compliance with Section 9795 of the Government
36 Code.

37 72005. (a) There is in state government the California Invasive
38 Species Advisory Committee. The purpose of the committee is to
39 advise the Invasive Species Council of California on a broad array
40 of issues related to preventing the introduction of invasive species

1 and providing for their control or eradication, as well as minimizing
2 the economic, ecological, and human health impacts that invasive
3 species cause.

4 (b) The committee shall consist of the following 13 members:

5 (1) One appointee designated by the Secretary of Food and
6 Agriculture.

7 (2) One appointee designated by the Secretary of the Natural
8 Resources Agency.

9 (3) One appointee designated by the Secretary for Environmental
10 Protection.

11 (4) One appointee designated by the Secretary of Transportation
12 or his or her designated representative.

13 (5) One appointee designated by the Secretary of California
14 Health and Human Services or his or her designated representative.

15 (6) One appointee designated by the Director of Emergency
16 Services or his or her designated representative.

17 (7) One appointee designated by the Director of the Department
18 of Forestry and Fire Protection or his or her designated
19 representative.

20 (8) One appointee designated by the Chair of the State Lands
21 Commission or his or her designated representative.

22 (9) Four appointees selected by the Invasive Species Council
23 of California cochairpersons with demonstrated expertise on
24 invasive species that shall include one representative each from a
25 federal agency, nonprofit organization, tribal government, and
26 industry.

27 (10) One appointee designated by the California Agricultural
28 Commissioners and Sealers Association.

29 (e) The committee shall meet quarterly and as needed as
30 determined by the cochairpersons of the Invasive Species Council
31 of California. The committee shall submit a yearly progress report
32 to the council for review and approval.

33 (d) The committee may hold an annual California Invasive
34 Species Summit to develop new recommendations and to
35 coordinate invasive species activities.

36 72010. The Invasive Species Fund is hereby established in the
37 State Treasury. Moneys in the fund are available, upon
38 appropriation by the Legislature, to the Invasive Species Council
39 of California for the purposes of funding invasive species projects
40 that may include, but are not limited to, the following projects:

1 ~~(a) Emergency and nonemergency rapid response and dedication~~
2 ~~activities, including, but not limited to, activities relating to~~
3 ~~invasive shot hole borer activity.~~

4 ~~(b) Conducting comprehensive reports on the ecological,~~
5 ~~agricultural, and economic impacts of invasive species.~~

6 ~~(c) Developing and maintaining statewide surveys and mapping~~
7 ~~of high-risk areas.~~

8 ~~(d) Developing statewide education, outreach, and branding of~~
9 ~~invasive species.~~

10 ~~(e) Increasing border inspections.~~

11 ~~(f) Increasing coordination and collaboration amongst invasive~~
12 ~~species partners.~~

13 ~~(g) Other invasive species activities recommended by the~~
14 ~~California Invasive Species Advisory Committee.~~

15 SEC. 2. ~~(a) Upon appropriation by the Legislature, funding~~
16 ~~shall be available to the Secretary of Food and Agriculture to be~~
17 ~~allocated to the Noxious Weed Management Account established~~
18 ~~in Section 7271 of the Food and Agriculture Code for projects for~~
19 ~~the control and abatement of noxious and invasive weeds.~~

20 ~~(b) Upon appropriation by the Legislature, funding shall be~~
21 ~~available to the University of California for invasive species~~
22 ~~research and outreach activities that are coordinated with the~~
23 ~~Invasive Species Council of California and recommended by the~~
24 ~~California Invasive Species Advisory Committee. These funds~~
25 ~~shall be used to complement the research and outreach needs of~~
26 ~~the council and committee. For the purposes of this subdivision,~~
27 ~~research and outreach activities include, but are not limited to,~~
28 ~~trainings, events, educational materials, and online resources.~~

AMENDED IN ASSEMBLY AUGUST 6, 2018

AMENDED IN ASSEMBLY JUNE 14, 2018

AMENDED IN SENATE MAY 7, 2018

AMENDED IN SENATE APRIL 30, 2018

AMENDED IN SENATE APRIL 23, 2018

AMENDED IN SENATE APRIL 9, 2018

AMENDED IN SENATE MARCH 22, 2018

SENATE BILL

No. 998

Introduced by Senator Dodd

February 5, 2018

An act to add Chapter 6 (commencing with Section 116900) to Part 12 of Division 104 of the Health and Safety Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

SB 998, as amended, Dodd. Discontinuation of residential water service: urban and community water systems.

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.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including water corporations. Existing law requires certain notice to be given before a water corporation, public utility district, municipal utility district, or a municipally owned or

operated public utility furnishing water may terminate residential service for nonpayment of a delinquent account, as prescribed.

This bill would require an urban and community water system, defined as a public water system that supplies water to more than 200 service connections, to have a written policy on discontinuation of water service to certain types of residences for nonpayment available in prescribed languages. The bill would require the policy to include certain components, be available on the system's Internet Web site, and be provided to customers in writing, upon request. The bill would provide for enforcement of these provisions, including making a violation of these provisions punishable by a civil penalty issued by the board in an amount not to exceed \$1,000 for each day in which the violation occurs, and would require the enforcement moneys collected by the board to be deposited in the Safe Drinking Water Account. The bill would prohibit an urban and community water system from discontinuing residential service for nonpayment until a payment by a customer has been delinquent for at least 60 days. The bill would require an urban and community water system to contact the customer named on the account and provide the customer with the urban and community water system's policy on discontinuation of residential service for nonpayment no less than 7 business days before discontinuation of residential service, as prescribed.

This bill would prohibit residential service from being discontinued under specified circumstances. The bill would require an urban and community water system that discontinues residential service to provide the customer with information on how to restore service and ~~petition for a waiver of reconnection fees.~~ *service.* The bill would require an urban and community water system to ~~waive reconnection fees and offer a reduction or waiver of interest charges on delinquent bills for~~ *for, and would limit the amount of a reconnection of service fee imposed on,* a residential customer who demonstrates, as prescribed, to the urban and community water system household income below 200% of the federal poverty ~~line and would limit the amount of a reconnection of service fee imposed on any other residential customer.~~ *line.* The bill would require an urban and community water system that furnishes individually metered residential service to residential occupants of a detached single-family dwelling, a multiunit structure, mobilehome park, or permanent residential structure in a labor camp, and that the owner, manager, or operator of the dwelling, structure, or park is the customer of record, to make every good faith effort to inform the

residential occupants by written notice that service will be terminated and that the residential occupants have the right to become customers, as specified. The bill would require an urban and community water system to report the number of annual discontinuations of residential service for inability to pay on its Internet Web site and to the board, and the bill would require the board to post on its Internet Web site the information reported. The bill would require an urban water supplier, as defined, or an urban and community water system regulated by the commission, to comply with the bill's provisions on and after February 1, 2020, and any other urban and community water system to comply with the bill's provisions on and after April 1, 2020. The bill would provide that the provisions of the bill are in addition to the provisions in existing law duplicative of the bill and that where the provisions are inconsistent, the provisions described in the bill apply.

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 as follows:
- 2 (a) All Californians have the right to safe, accessible, and
- 3 affordable water as declared by Section 106.3 of the Water Code.
- 4 (b) It is the intent of the Legislature to minimize the number of
- 5 Californians who lose access to water service due to inability to
- 6 pay.
- 7 (c) Water service discontinuations threaten human health and
- 8 well-being, and have disproportionate impact on infants, children,
- 9 the elderly, low-income families, communities of color, people
- 10 for whom English is a second language, physically disabled
- 11 persons, and persons with life-threatening medical conditions.
- 12 (d) When there is a delinquent bill, all Californians, regardless
- 13 of whether they pay a water bill directly, should be treated fairly,
- 14 and fair treatment includes the ability to contest a bill, seek
- 15 alternative payment schedules, and demonstrate medical need and
- 16 severe economic hardship.
- 17 (e) The loss of water service causes tremendous hardship and
- 18 undue stress, including increased health risks to vulnerable
- 19 populations.
- 20 (f) It is the intent of the Legislature that this act provide
- 21 additional procedural protections and expand upon the procedural

1 safeguards contained in the Public Utilities Code and Government
2 Code as of January 1, 2018, relating to utility service
3 disconnections.

4 SEC. 2. Chapter 6 (commencing with Section 116900) is added
5 to Part 12 of Division 104 of the Health and Safety Code, to read:

6
7 CHAPTER 6. DISCONTINUATION OF RESIDENTIAL WATER
8 SERVICE
9

10 *116900. This chapter shall be known, and may be cited, as the*
11 *Water Shutoff Protection Act.*

12 ~~116900.~~

13 *116902.* For the purposes of this chapter, the following
14 definitions apply:

15 (a) "Board" means the State Water Resources Control Board.

16 (b) "Public water system" has the same meaning as defined in
17 Section 116275.

18 (c) "Residential service" means water service to a residential
19 connection that includes ~~individually metered~~ single-family
20 residences, ~~individually metered and master-metered~~ multifamily
21 residences, ~~master-metered mobilehome parks, individually~~
22 ~~metered mobilehomes~~, *including, but not limited to*, mobilehomes
23 in mobilehome parks, or farmworker housing.

24 (d) "Urban and community water system" means a public water
25 system that supplies water to more than 200 service connections.

26 (e) "Urban water supplier" has the same meaning as defined in
27 Section 10617 of the Water Code.

28 ~~116902.~~

29 *116904.* (a) An urban water supplier not regulated by the
30 Public Utilities Commission shall comply with this chapter on and
31 after February 1, 2020.

32 (b) An urban and community water system regulated by the
33 Public Utilities Commission shall comply with this chapter on and
34 after February 1, 2020. The urban and community water system
35 regulated by the Public Utilities Commission shall file advice
36 letters with the commission to conform with this chapter.

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

~~116904.~~

116906. (a) An urban and 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:

(1) A plan for deferred or reduced payments.

(2) Alternative payment schedules.

(3) A formal mechanism for a customer to contest or appeal a bill.

(4) A telephone number for a customer to contact to discuss options for averting discontinuation of residential service for nonpayment.

(b) The policy shall be available on the urban and community water system's Internet Web site, if an Internet Web site exists. If an Internet Web site does not exist, the urban and community water system shall provide the policy to customers in writing, upon request.

(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.

~~116906.~~

116908. (a) (1) (A) An urban and community water system shall not discontinue residential service for nonpayment until a payment by a customer has been delinquent for at least 60 days. No less than seven business days before discontinuation of residential service for nonpayment, an urban and community water system shall contact the customer named on the account by telephone or written notice.

(B) When the urban and 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 policy on discontinuation of residential service for nonpayment. An urban

1 and community water system shall offer to discuss options to avert
2 discontinuation of residential service for nonpayment, including,
3 but not limited to, alternative payment schedules, deferred
4 payments, minimum payments, procedures for requesting
5 amortization of the unpaid balance, and petition for bill review
6 and appeal.

7 (C) When the urban and community water system contacts the
8 customer named on the account by written notice pursuant to
9 subparagraph (A), the written notice of payment delinquency and
10 impending discontinuation shall be mailed to the customer of the
11 residence to which the residential service is provided. If the
12 customer's address is not the address of the property to which
13 residential service is provided, the notice also shall be sent to the
14 address of the property to which residential service is provided,
15 addressed to "Occupant." The notice shall include, but is not
16 limited to, all of the following information in a clear and legible
17 format:

- 18 (i) The customer's name and address.
- 19 (ii) The amount of the delinquency.
- 20 (iii) The date by which payment or arrangement for payment is
21 required in order to avoid discontinuation of residential service.
- 22 (iv) A description of the process to apply for an extension of
23 time to pay the delinquent charges.
- 24 (v) A description of the procedure to petition for bill review and
25 appeal.
- 26 (vi) A description of the procedure by which the customer may
27 request a deferred, reduced, or alternative payment schedule,
28 including an amortization of the delinquent residential service
29 charges, consistent with the written policies provided pursuant to
30 subdivision (a) of Section ~~116904~~. *116906*.

31 (2) If the urban and community water system is unable to make
32 contact with the customer or an adult occupying the residence by
33 telephone, and written notice is returned through the mail as
34 undeliverable, the urban and community water system shall make
35 a good faith effort to visit the residence and leave, or make other
36 arrangements for placement in a conspicuous place of, a notice of
37 imminent discontinuation of residential service for nonpayment
38 and the urban and community water system's policy for
39 discontinuation of residential service for nonpayment.

(b) If an adult at the residence appeals the water bill to the urban and 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 shall not discontinue residential service while the appeal is pending.

~~116908.~~

116910. (a) An urban and community water system shall not discontinue residential service for nonpayment if all of the following conditions are met:

(1) The customer, or a tenant of the customer, submits to the urban and community water system 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.

(2) The customer demonstrates that he or she is financially unable to pay for residential service within the urban and community water system's normal billing cycle. 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 recipient of 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.

(3) The customer is willing to enter into an amortization agreement, alternative payment schedule, or a plan for deferred or reduced payment, consistent with the written policies provided pursuant to subdivision (a) of Section ~~116904~~, 116906, with respect to all delinquent charges.

(b) (1) If the conditions listed in subdivision (a) are met, the urban and 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.

1 (C) A partial or full reduction of the unpaid balance financed
2 without additional charges to other ratepayers.

3 (D) Temporary deferral of payment.

4 (2) The urban and community water system may choose which
5 of the payment options described in paragraph (1) the customer
6 undertakes and may set the parameters of that payment option.
7 Ordinarily, the repayment option offered should result in repayment
8 of any remaining outstanding balance within 12 months. An urban
9 and community water system may grant a longer repayment period
10 if it finds the longer period is necessary to avoid undue hardship
11 to the customer based on the circumstances of the individual case.

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

17 (A) The customer fails to comply with an amortization
18 agreement, an alternative payment schedule, or a deferral or
19 reduction in payment plan for delinquent charges for 60 days or
20 more.

21 (B) While undertaking an amortization agreement, an alternative
22 payment schedule, or a deferral or reduction in payment plan for
23 delinquent charges, the customer does not pay his or her current
24 residential service charges for 60 days or more.

25 ~~116910.~~

26 ~~116912.~~ An urban and community water system that
27 discontinues residential service for nonpayment shall provide the
28 customer with information on how to restore residential service
29 ~~and petition for a waiver of reconnection fees pursuant to Section~~
30 ~~116912. service.~~

31 ~~116912.~~

32 ~~116914.~~ (a) For a residential customer who demonstrates to
33 an urban and community water system household income below
34 200 percent of the federal poverty line, the urban and community
35 water system shall ~~waive reconnection fees and offer a reduction~~
36 ~~or waiver of~~ *do both of the following:*

37 (1) *Set a reconnection of service fee for reconnection during*
38 *normal operating hours at fifty dollars (\$50), but not to exceed*
39 *the actual cost of reconnection if it is less. Reconnection fees shall*
40 *be subject to an annual adjustment for changes in the Consumer*

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

8 (2) *Waive interest charges on delinquent bills once every 12*
9 *months. An urban and community water system may waive*
10 *reconnection fees and offer a reduction or waiver of interest charges*
11 *on delinquent bills more than once every 12 months. An*

12 (b) *An urban and community water system shall deem a*
13 *residential customer to have a household income below 200 percent*
14 *of the federal poverty line if any member of the household is a*
15 *current recipient of CalWORKs, CalFresh, general assistance,*
16 *Medi-Cal, Supplemental Security Income/State Supplementary*
17 *Payment Program, or California Special Supplemental Nutrition*
18 *Program for Women, Infants, and Children, or the customer*
19 *declares that the household's annual income is less than 200 percent*
20 *of the federal poverty level.*

21 ~~(b) For a residential customer not described in subdivision (a);~~
22 ~~an urban and community water system shall set a reconnection of~~
23 ~~service fee for reconnection during normal operating hours at fifty~~
24 ~~dollars (\$50), but not to exceed the actual cost of reconnection if~~
25 ~~it is less. Reconnection fees shall be subject to an annual adjustment~~
26 ~~for changes in the Consumer Price Index beginning January 1,~~
27 ~~2021. For the reconnection of residential service during~~
28 ~~nonoperational hours, an urban and community water system shall~~
29 ~~set a reconnection of service fee at one hundred fifty dollars (\$150);~~
30 ~~but not to exceed the actual cost of reconnection if it is less.~~
31 ~~Reconnection fees shall be subject to an annual adjustment for~~
32 ~~changes in the Consumer Price Index beginning January 1, 2021.~~

33 ~~116913.~~

34 116916. (a) This section applies if there is a landlord-tenant
35 relationship between the residential occupants and the owner,
36 manager, or operator of the dwelling.

37 (b) If an urban and community water system furnishes
38 individually metered residential service to residential occupants
39 of a detached single-family dwelling, a multiunit residential
40 structure, mobilehome park, or permanent residential structure in

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

12 (c) The urban and community water system is not required to
13 make service available to the residential occupants unless each
14 residential occupant agrees to the terms and conditions of service
15 and meets the requirements of law and the urban and community
16 water system's rules and tariffs. However, if one or more of the
17 residential occupants are willing and able to assume responsibility
18 for the subsequent charges to the account to the satisfaction of the
19 urban and community water system, or if there is a physical means
20 legally available to the urban and community water system of
21 selectively terminating service to those residential occupants who
22 have not met the requirements of the urban and community water
23 system's rules and tariffs, the urban and community water system
24 shall make service available to those residential occupants who
25 have met those requirements.

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

31 (e) Any residential occupant who becomes a customer of the
32 urban and community water system pursuant to this section whose
33 periodic payments, such as rental payments, include charges for
34 residential water service, where those charges are not separately
35 stated, may deduct from the periodic payment each payment period
36 all reasonable charges paid to the urban and community water
37 system for those services during the preceding payment period.

38 (f) In the case of a detached single-family dwelling, the urban
39 and community water system may do any of the following:

1 (1) Give notice of termination at least seven days prior to the
2 proposed termination.

3 (2) In order for the amount due on the delinquent account to be
4 waived, require an occupant who becomes a customer to verify
5 that the delinquent account customer of record is or was the
6 landlord, manager, or agent of the dwelling. Verification may
7 include, but is not limited to, a lease or rental agreement, rent
8 receipts, a government document indicating that the occupant is
9 renting the property, or information disclosed pursuant to Section
10 1962 of the Civil Code.

11 ~~116914.~~

12 *116918.* An urban and community water system shall report
13 the number of annual discontinuations of residential service for
14 inability to pay on the urban and community water system's
15 Internet Web site, if an Internet Web site exists, and to the board.
16 The board shall post on its Internet Web site the information
17 reported.

18 ~~116916.~~

19 *116920.* (a) The Attorney General, at the request of the board
20 or upon his or her own motion, may bring an action in state court
21 to restrain by temporary or permanent injunction the use of any
22 method, act, or practice declared in this chapter to be unlawful.

23 (b) *For an urban and community water system regulated by the*
24 *Public Utilities Commission, the commission may bring an action*
25 *in state court to restrain by temporary or permanent injunction*
26 *the use by an urban and community water system regulated by the*
27 *commission of any method, act, or practice declared in this chapter*
28 *to be unlawful.*

29 ~~116917.~~

30 *116922.* All written notices required under this chapter shall
31 be provided in English, the languages listed in Section 1632 of the
32 Civil Code, and any other language spoken by 10 percent or more
33 of the customers in the urban and community water system's
34 service area.

35 ~~116918.~~

36 *116924.* Where provisions of existing law are duplicative of
37 this chapter, compliance with one shall be deemed compliance
38 with the other. Where those provisions are inconsistent, the
39 provisions of this chapter shall apply. Nothing in this chapter shall
40 be construed to limit or restrict the procedural safeguards against

1 the disconnection of residential water service existing as of
2 December 31, 2018.
3 ~~116919.~~
4 *116926.* This chapter does not apply to the termination of a
5 service connection by an urban and community water system due
6 to an unauthorized action of a customer.

O

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: August 9, 2018

MEMO TO: Board of Directors

THROUGH: Alexander R. Coate, General Manager *ARC*

FROM: Laura A. Acosta, Manager of Human Resources *Laura*

SUBJECT: Semi-Annual Update on District Values and Organizational Improvements Programs

SUMMARY

This memo provides a semi-annual update on the District's values and organizational improvement efforts. It summarizes progress since February 2018, to include key strategic initiatives and next steps. This information will be discussed at the August 14, 2018 Legislative/Human Resources Committee meeting.

BACKGROUND

The continuing work of the values and organizational improvement effort is focused on working better together, and building and maintaining a strong organizational culture. Over the last five years, the District has had more than 600 retirements, and 965 new employees have been hired. As new employees begin careers with the District, it is important that they not only learn their new jobs but also get engaged and oriented to the District's Values and high-performance culture in order to support the District's mission. The District has identified five characteristics of highly engaged employees that are now the emphasis of our values work:

- Opportunity – When employees recognize and feel their unique connection to the District's mission, and understand the importance of their role in fulfilling that mission.
- Accountability – When employees are expected to give their best and know what they are accountable for in both performance and values-based behavior.
- Connectedness – When employees feel connected to each other, focus on mutual interest, and operate with shared responsibility.
- Inclusion – When employees are well informed and involved, and have vehicles to openly express thoughts and ideas.
- Validation – When employees feel that they matter, and have a valued place in the District.

DISCUSSION

Over the past six months, the staff has been engaging employees in the following activities. These actions directly connect to one or more of the five characteristics of engagement:

- **2018 State of the District Address** – Provided a recap of strategic successes by the District over the past 12 months and future direction for all six areas of the District's Strategic Plan. The presentation emphasis this year was on the value of Teamwork and celebration of employee contributions to District success. For the 2018 address, over 1000 employees attended the 10 sessions held at 8 District locations.
- **District Values Added to Management Team Performance Plans** – The Values are embedded in the culture of the District. As such, for Fiscal Year 2019, all management team members will now complete a Values self-assessment as part of their performance planning and appraisal process.
- **Values Advocates Graduation** – The District graduated its first group of Advocates in June 2018. Twenty-five employees completed nine months of training to increase their understanding of the Values, to prepare them to be advocates for a Values-based culture, and to be two-way communication liaisons between their work groups and senior managers.
- **Improvements in the New Employee Onboarding Process** – The Performance Team sponsored work to enhance and modernize the onboarding process so that managers and supervisors could provide a consistent onboarding experience. The team has updated the new employee checklist providing guidance for new employees and hiring managers through the first year of employment. The recruitment software, NEOGOV, has been expanded to provide a new hire portal with unified District information for pre-hire through the first 90 days of employment. Staff are currently configuring the software and content. Phase I, which begins in October, will feature an updated new employee orientation and a new onboarding checklist.
- **Employee Appreciation Month** – As part of the new Employee Recognition and Appreciation Program, July 2018 was Employee Appreciation Month. All District departments participated by hosting appreciation events to celebrate District success and recognize the efforts of all employees.

NEXT STEPS

The above-mentioned efforts will continue, with emphasis on the following:

- Guiding employee engagement through leadership development:
 - 360° Assessments
 - Creating a Culture of Engagement Training for Local 21 Supervisors
 - MAST I and II training
 - Pathways Academy

- Recruit and develop a second group of Values Advocates (Fall 2018) whose tasks will be:
 - Improving communications and engagement at remote locations
 - Coordinating a speaker series on location-specific topics
 - Working with affinity groups to expand reach of the Values effort
- Launch revised onboarding process:
 - Updated New Employee Orientation (August 2018)
 - Expansion of NEOGOV as an Onboarding Portal (Fall 2018 Pilot)

Staff will bring further updates to this Committee in February 2019.

ARC:LB:rdw

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EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: August 9, 2018

MEMO TO: Board of Directors

THROUGH: Alexander R. Coate, General Manager *ARC*

FROM: Laura A. Acosta, Manager of Human Resources *Laura*

SUBJECT: Sutter Health Plan Contract

SUMMARY

On August 14, 2018, staff will provide an update to the Legislative/Human Resources Committee on efforts to offer the new Sutter Health Plus HMO plan to employees and non-Medicare retirees, with coverage beginning January 1, 2019.

BACKGROUND

During negotiations of the current Memoranda of Understanding (MOUs), the District and Unions agreed to eliminate the Health Net insurance plan from the District's health plan offerings, and add Sutter Health Plus HMO, a product of Sutter Health. The Board will be asked to consider the new contract with Sutter Health at its August 14, 2018 meeting. Upon approval of this contract, the Sutter Health Plus HMO will be offered to District employees during open enrollment on October 22 through November 9, 2018.

DISCUSSION

Since 1994, the District has offered three health insurance plans: Kaiser HMO, Health Net HMO, and Anthem Blue Cross PPO. In the last 15 years, the premiums for these plans have increased. The premium increases for the Health Net plan have significantly outpaced the premium increases on Kaiser and Anthem PPO. This caused many employees to drop Health Net insurance and move to the District's fully paid Kaiser HMO plan. At the end of 2017, 72 percent of employees were covered under the Kaiser HMO plan. The migration of employees out of Health Net exacerbated the problem of increased Health Net premiums. Therefore, staff researched and analyzed alternatives to Health Net and presented Sutter Health Plus HMO as an alternative during MOU negotiations.

Vendor Selection Process

While Kaiser HMO is an important part of the District's overall benefit structure for employees and retirees, it is important to offer health coverage options that support the different needs of employees and their families. The District's ability to find an HMO provider willing to offer

insurance to District employees and retirees is hampered by the fact that the District covers 100 percent of the cost for all tiers of coverage on the Kaiser HMO for active employees, and pays 85 percent of the premium on double and family coverage in the other health insurance plans. This creates adverse selection, or a non-level playing field, for attracting employees to any other health insurance provider than Kaiser.

In preparation for the 2017 MOU negotiations, staff researched plan alternatives by participating on the Alameda County Public Sector Healthcare Task Force, reviewing the impact of transitioning health insurance to CalPERS, and considering the new Sutter Health Plus HMO product introduced to Bay Area agencies in 2016. Staff determined that Sutter Health Plus HMO was the best choice available to replace Health Net and provide a new health plan at a lower premium. The District and the Unions agreed to drop Health Net and replace it with Sutter Health Plus HMO during the 2017 MOU negotiations.

Making the Transition

Staff began the work of setting up the Sutter Health Plus HMO, and building a communication strategy as soon as the MOU negotiations closed. Additionally, since Sutter Health Plus HMO does not offer insurance coverage for Medicare retirees, staff found an alternative solution for the District's Medicare retirees with Anthem Cal Care HMO through ACWA/JPIA. The Anthem Cal Care HMO has a large network of physicians across California. It has slightly lower premiums than Health Net, and a lower annual out-of-pocket maximum, making it a more affordable plan for Medicare retirees.

To ensure smooth plan transitions, staff has created a communication strategy that includes a personal letter to each employee and retiree currently on Health Net that explains their unique situation and their options for transitioning from Health Net to another health plan. Each retiree will also be contacted personally by staff. Each Medicare eligible retiree has been assigned a specific staff member to personally assist with their transition, ensuring that all of their questions are answered, and all of the Medicare-related paperwork is properly completed and submitted.

Staff also created several venues for employees and retirees to learn and ask questions about the Sutter Health Plus HMO. Sutter Health staff will be on-site for two informational meetings in August, and six drop-in sessions in September. Sutter Health has also offered direct phone access to two Sutter Health staff members for District employees.

In addition to transitioning employees and retirees from Health Net to a new health plan, staff is working to set up the additional benefit plan changes that were agreed to during MOU negotiations which will be effective January 1, 2019. Those additional changes include adding hearing aid coverage to the Kaiser HMO plan, increased value of the benefit for waiving District health insurance, increase of the supplemental benefit from \$905 to \$915, and a rollover option for Medical Flexible Spending Accounts.

FISCAL IMPACT

The transition from Health Net to Sutter Health Plus HMO is expected to save just over \$2,000,000 a year in District health care costs. If employees transfer from Anthem Blue Cross PPO to Sutter Health Plus HMO, the savings could be greater.

NEXT STEPS

Staff will bring the new contract with Sutter Health to the Board for consideration on August 14, 2018. If approved, staff will continue to inform employees about the new Sutter Health Plus HMO plan, and provide assistance for all employees and retirees who transition from the Health Net plan during the open enrollment period.

ARC:LAA:rdw

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: August 9, 2018

MEMO TO: Board of Directors

THROUGH: Alexander R. Coate, General Manager *ARC*

FROM: Laura A. Acosta, Manager of Human Resources *Laura*

SUBJECT: Amendment No. 1 to the 2017-2021 Memorandum of Understanding Between East Bay Municipal Utility District and International Federation of Professional and Technical Engineers Local 21

INTRODUCTION

On June 27, 2018, the United States Supreme Court (Court) issued its decision in *Janus v. AFSCME Council 31*, which deemed agency fees unlawful. On the same day, Governor Jerry Brown signed Senate Bill 866 (SB 866) which codifies the duties of public sector employers and Unions with respect to the collection of membership dues. These changes in law rendered some of the language in the Memorandum of Understanding (MOU) between the District and International Federation of Professional and Technical Engineers Local 21 (Local 21) unlawful, and an amendment to the MOU is therefore necessary to comply with the changes. This will be discussed at the August 14, 2018 Legislative/Human Resources Committee meeting.

SUMMARY

In *Janus v. AFSCME Council 31*, the Court was asked to resolve whether agency fee arrangements between public employers and public sector unions constitute an unconstitutional infringement of public employees' First Amendment right to free speech.

The June 27, 2018 Court decision deemed agency fees unlawful and, directly related to that decision, SB 866 signed by Governor Jerry Brown codified the duties of public sector employers and Unions with respect to the collection of membership dues.

Staff met and conferred with Local 21 to amend the MOU to remove agency shop language and to clarify the process for membership dues collection.

DISCUSSION

An agency shop requires employees who work in classifications represented by Unions, as a condition of continued employment, to either join the union or pay a service fee.

On June 27, 2018, the Court issued a decision in *Janus v. AFSCME Council 31*, which overruled the decades-old *Abood v. Detroit Board of Education* precedent and which deemed the collection of agency fees unlawful, unless the employee affirmatively consents to pay. Additionally,

Governor Jerry Brown signed SB 866 which codifies the duties of public sector employers and Unions with respect to the collection of membership dues. Accordingly, the District immediately stopped deducting service fees from employee paychecks and scheduled a meeting with Local 21 to discuss the impacts of these changes in the law.

Staff has met and conferred with Local 21, culminating in a tentative agreement to amend the MOU in compliance with the *Janus* decision and SB 866. The changes are summarized as follows:

- Service fees are no longer required as a condition of employment.
- Upon certification by Local 21 that an employee has signed a deduction authorization, the District will deduct the appropriate dues from the employee's pay, as established and as may be changed from time to time by Local 21, and remit such dues to Local 21.
- Any requests to cancel or change deductions must be directed to Local 21, rather than the District.
- Deductions will continue unless the employee mails a written revocation to Local 21 in accordance with the terms of the authorization form, or absent any such terms, by mailing a written revocation to Local 21 that is postmarked during the thirty (30) calendar day period immediately prior to the annual anniversary on which the employee signed an authorization form.
- The effective date of dues deductions for employees shall be made from the paycheck on the first payday of each calendar month immediately following Local 21's notification to the District of the dues deduction authorization.
- The effective date of any revocation of any existing authorization shall end by the next calendar month from the employee's paycheck due on the first payday following receipt by the District of Local 21's written notice of revocation.

FISCAL IMPACT

There is no financial impact related to this amendment of the Local 21 2017-2021 MOU.

NEXT STEPS

Staff will bring a Resolution amending Article I of the 2017-2021 MOU with Local 21 to the Board for consideration on August 14, 2018. Staff will continue meeting with the other unions to discuss the impacts of *Janus*.

ARC:LAA:rdw