

Department of Finance		Fund: 0679
STATE OF CALIFORNIA MANUAL OF STATE FUNDS		PAGE 1 Renumbered From:
<u>Legal Title</u> State Water Quality Control Fund		
<u>Legal Citation/Authority</u> Chapter 28, Statutes of 1995 (AB 1247) Water Code sections 13400-13443, 13478, and 13999.8		
<u>Fund Classification</u> <u>GAAP Basis</u> Governmental/Special Revenue Funds	<u>Fund Classification</u> <u>Legal Basis</u> Nongovernmental/Working Capital and Revolving Funds	
<u>Purpose</u> The purpose of the fund is to make loans to municipalities and districts for the construction of facilities for the collection, treatment, or export of waste where necessary to prevent water pollution and to reclaim and transport wastewater. Such loans are made only to public agencies which have no available funds for this purpose and where the issuance of bonds is not possible or would create an unreasonable financial burden on the agency. In addition, the board may loan up to one-half of the cost of studies and investigations made by public agencies in connection with wastewater reclamation.		
<u>Administering Agency/Organization Code</u> State Water Resources Control Board/Org 3940		
<u>Major Revenue Source</u> Legislative appropriations. Repayment of principal and interest on outstanding loans. One-half of all criminal penalties and any money collected civilly under legal proceedings resulting from violation of certain provisions of the Water Code. Assessments on owners and operators of liquid waste disposal and solid waste disposal sites.		
<u>Disposition of Fund (upon abolishment)</u> Pursuant to Government Code 16346, in the absence of language that identifies a successor fund, any balance remaining in this fund upon abolishment, shall be transferred to the General Fund.		
<u>Appropriation Authority</u> Section 13401 of the Water Code states the fund is continuously appropriated to the Water Board for the purpose of making “loans to public agencies in accordance with the provisions of this chapter.” Section 13441 appropriates the State Water Pollution Cleanup and Abatement Account without regard to fiscal years for expenditures by the Water Board in accordance with Article 3 (commencing with Section 13440 of the Water Code).		

State Appropriations Limit

Always Excluded – Revenues in this fund are not proceeds of taxes and even after transfer, will never become proceeds of taxes because the major revenue source is derived from a Working Capital and Revolving Fund.

Comments/Historical Information

Chapter 1551, Statutes of 1949 created the State Water Pollution Control Fund and appropriated \$1,000,000 from the Postwar Unemployment and Construction Fund to this fund.

Chapter 1446, Statutes of 1967 changed the title of the fund to the current name. This legislation also provided for the deposit of \$2,000,000 per year in the fund, for a period of five years, of oil and dry gas revenue collected by the Division of State lands. Nearly all of these moneys were specifically appropriated for loans to the North Tahoe Public Utility District, the South Tahoe Public Utility District, the Tahoe City Public Utility District, and the Truckee Sanitary District to help alleviate discharges into Lake Tahoe.

Chapter 482, Statutes of 1969 continued the fund in existence and created the State Water Pollution Cleanup and Abatement Account within this fund. This account was created for the purpose of making payments to public agencies for the purpose of cleaning up waste or abating its effects on water of the state. It consists of all moneys appropriated by the Legislature for the account, contributions, criminal penalties, and money collected through civil actions resulting from violations of certain Water Code provisions.

Chapter 784, Statutes of 1978 created the Site Closure and Maintenance Revolving Account within this fund. This account is for the purpose of closing and maintaining liquid waste disposal sites or hazardous waste disposal sites which have served their useful life and pose an adverse threat to the environment. Moneys for this purpose are to be provided by assessments on owners and operators of liquid or solid waste disposal sites. The assessments are to be adequate to maintain an account balance up to \$500,000, but assessments shall not exceed \$250,000 in any one year.

Division 7, Chapter 6.5, Section 12478 of the Water Code and Article 3, Chapter 15 of the 1994 Clean Water Bond Law, Section 13999.8 of the Water Code authorizes the Water Board to transfer funds (received from local municipalities or from the Clean Water Construction Grant Account of the 1984 State Clean Water Bond Fund) to the State Water Pollution Control Revolving Fund to provide a state match for increased federal funds.

Commencing in 1995, the Water Board received a \$2 million Budget Act appropriation from the fund to support the permanent establishment of positions to oversee the cleanup of illegal discharges, contaminated properties and other unregulated releases that impact state waters.