**Legal Title**
State Clean Water and Water Conservation Fund

**Legal Citation/Authority**
Chapter 1160, Statutes of 1977
Water Code sections 13955-13969

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**Purpose**
A depository of moneys derived from the sale of bonds to be used to provide financial assistance to public agencies for the construction of wastewater treatment facilities and water reclamation projects. The bond act, approved by the electorate at the 1978 primary election, authorized the issuance of up to $375 million for this purpose.

Specifically, this law authorizes the Clean Water and Water Conservation Committee for:

1. Grants of up to 12.5 percent of the cost of wastewater treatment projects that are eligible for federal assistance, necessary to prevent water pollution and certified by the State Water Resources Control Board (Water Board) as being entitled to priority over other wastewater treatment projects. Up to $50 million may be granted for projects that do not qualify for federal assistance but are necessary for conservation or reclamation. Grants may be made for projects that received federal aid but did not receive an appropriate state grant due solely to the depletion of the fund created by the Clean Water Bond Law of 1974. Refer to the State Clean Water Fund (0734).

2. Plans, surveys, research, development and studies performed by qualified municipalities or the Water Board.

3. Loans to public agencies from the State Water Quality Control Fund.

Unlike the State Clean Water Fund (Bond Acts of 1970 and 1974), no provision was made for the payment of administrative costs from this fund.

With the approval of the Clean Water and Water Conservation Committee, the Water Board may transfer moneys in the fund to the State Water Quality Control Fund to be available for loans to local agencies pursuant to the provisions of that fund (Chapter 6 of the Water Code, commencing with Section 34000).

**Administering Agency/Organization Code**
State Water Resource Control Board/Org 3940

**Major Revenue Source**
Proceeds from the sale of bonds.
### Disposition of Fund (upon abolishment)

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.

### Appropriation Authority

Section 13965 of the Water Code provides that all moneys in the fund are continuously appropriated without regard to fiscal year.

### 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 Bond Fund.

### Comments/Historical Information

In acting on the Water Board’s request, the Clean Water Finance Committee (the Governor, the State Controller, the State Treasurer, the Director of Finance, and the Chairperson or Executive Officer of the Water Board) decide whether bonds are to be issued and, if so, the amount to be sold. The State Clean Water Bond Fund (0734) accounted for Bond Laws of 1970, 1974 and 1978. The Bond Law of 1978, State Clean Water and Water Conservation Fund (0734), is the only pre-1980 Water Bond that has remaining funds.