

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: June 5, 2007
POSITION: Oppose

BILL NUMBER: SB 1002
AUTHOR: D. Perata

BILL SUMMARY: Water Quality, Flood Control, and Wildlife

This bill would appropriate various resource bond funds (Propositions 13, 204, 84, 1E) to the Resources Agency, Department of Water Resources (DWR), Department of Fish and Game, Department of Public Health, and the State Water Resources Control Board.

FISCAL SUMMARY

This bill would appropriate the following resources bond funds:

- Resources Agency
 - \$214 million Proposition 204 to acquire and restore habitat for Delta smelt and to design and implement projects to eliminate the impact of invasive species and toxic materials on the Delta ecosystem.
- Department of Water Resources
 - \$200 million Proposition 1E, including \$50 million for the acquisition, design, and construction of essential emergency preparedness supplies and projects approved by the California Bay-Delta Authority, and \$150 million for stormwater flood management grants.
 - \$260 million Proposition 84, including \$200 million for grants that integrate groundwater management with water supply and quality management, \$15 million to complete feasibility studies for new surface storage facilities, and \$15 million to develop a plan to reoperate the state’s flood control and water supply systems.
 - \$141 million Proposition 13, including \$125 million for the construction of demonstration fish screens at Clifton Court Forebay and other projects to reduce losses of fish to water diversions in the San Joaquin River and delta, and \$16 million for grants for water conservation projects, groundwater recharge facilities, and infrastructure rehabilitation projects.
 - \$32.5 million Proposition 50, including \$20 million to implement the Franks Tract Pilot Project, and \$12.5 million for development of contaminant and salt removal technologies.
 - \$18 million Proposition 204 for projects to improve water quality in the Bay-Delta.
- Department of Fish and Game
 - \$11 million Proposition 204 to acquire and restore habitat for Delta smelt.
- State Water Resources Control Board
 - \$22 million Proposition 13 for water recycling project grants.
- Department of Public Health
 - \$50 million Proposition 84 for small community drinking water infrastructure improvement grants and related actions to meet safe drinking water standards.

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Analyst/Principal (0631) M. Almy	Date	Program Budget Manager Karen Finn	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

BILL ANALYSIS Form DF-43 (Rev 03/95 Buff)

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SUMMARY OF CHANGES

Amendments to this bill since our analysis of the April 30, 2007 version include the following significant amendment which does not change our position:

- This bill no longer includes an urgency clause.

COMMENTS

Finance is opposed to this bill because it makes appropriations from bond funds that are not included in, or conflict with, the Administration's planned expenditures of these bond funds. In addition, the bill would appropriate funds that are not available for appropriation.

DWR indicates this bill would not appropriate enough funds to complete surface storage feasibility studies and does not provide funding for Integrated Regional Water Management. The Governor's proposals for funding these activities are not included in the latest version of the Budget Bill.

In some cases, there are programmatic reasons that have prevented older bond funds from being spent. For instance, the State Water Resources Control Board reports the funds that this bill would appropriate are already continuously appropriated to the department for a water recycling loan program for which demand has been low. Most of the Proposition 13 funds this bill would appropriate to DWR are for Bay-Delta multipurpose projects. Specific projects planned to be funded through Proposition 13 have been delayed because of pending resolution of project design and sensitive environmental issues.

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BILL ANALYSIS/ENROLLED BILL REPORT--(CONTINUED)**Form DF-43****AUTHOR****AMENDMENT DATE****BILL NUMBER**

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SB 1002

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							
	LA	(Dollars in Thousands)							
	CO RV	PROP 98	FC	2007-2008	FC	2008-2009	FC	2009-2010	Fund Code
0540/Secty Res	SO	No	A	\$14,000		--		--	0405
0540/Secty Res	SO	No	A	\$200,000		--		--	0546
3860/Water Res	SO	No	A	\$200,000		--		--	6052
3860/Water Res	SO	No	A	\$260,000		--		--	6051
3860/Water Res	SO	No	A	\$16,000		--		--	6023
3860/Water Res	SO	No	A	\$125,000		--		--	6026
3860/Water Res	SO	No	A	\$32,500		--		--	6031
3860/Water Res	SO	No	A	\$18,000		--		--	0544
3600/Dept FishGam	SO	No	A	\$11,000		--		--	0405
3940/SWRCB	SO	No	A	\$22,000		--		--	0419
4265/PublicHealth	SO	No	A	\$50,000		--		--	6051

<u>Fund Code</u>	<u>Title</u>
0405	Bay-Delta Agreement Subaccount
0419	Water Recycling Subaccount
0544	Sac Valley Water Mgmt & Habitat Protect
0546	Bay-Delta Ecosystem Restoration Account
6023	Water Conservation Account
6026	Bay-Delta Multipurpose Wtr Manag Subacct
6031	Water Secuity, Cln Drnk Wtr, Cstl Beach
6051	SafeDrinkWtr, WtrQual/Sup, FldCtrl, RvrCstl
6052	DisasterPreparedness/FloodPreventionBond