

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: Original
POSITION: Oppose

BILL NUMBER: AB 2669
AUTHOR: M. Perez

BILL SUMMARY: Safe Drinking Water: Water Quality and Supply

This bill would appropriate \$2 million from the "Inter-regional/Unallocated" pot of Proposition 84 to the Department of Water Resources for the development of an integrated water quality and wastewater treatment program plan in Riverside County. The plan would primarily address arsenic contamination of drinking water in disadvantaged communities in the unincorporated areas of Riverside County.

FISCAL SUMMARY

Proposition 84 provides \$1 billion for Integrated Regional Water Management projects, including \$100 million to address multi-regional needs or issues of statewide significance. This \$100 million Proposition 84 allocation for "Interregional/ Unallocated" water projects has already been over-appropriated by \$4 million. The Governor's Budget proposes to revert \$28 million appropriated in SBX71 for the Two-Gates Fish Protection Demonstration Program to correct the over appropriation and to provide funding for the Delta Plan and water conservation measures required by SBX7 1 and SBX7 7. There is no funding available for the purpose specified in the bill without additional reversions that would take funding away from other projects that have already been allocated funding under prior legislative appropriations.

COMMENTS

Finance opposes this bill for the following reasons:

- The Interregional/Unallocated pot of Proposition 84 is already over-appropriated, and this bill does not contain the appropriate reversion language necessary to make funding available, nor does it direct the Department of Water Resources as to which current or anticipated projects should be un-funded in order to provide funding from this section to Riverside County.
- This bill would allocate limited Proposition 84 funds for a specific local project outside of a competitive grant process. Bond funds should be allocated and prioritized through a competitive process or dedicated to projects that address issues of statewide significance.

Code/Department Agency or Revenue Type	(Fiscal Impact by Fiscal Year)									Fund Code	
	SO	(Dollars in Thousands)									
	LA	CO	PROP	FC	2009-2010	FC	2010-2011	FC	2011-2012		
3860/Water Res	SO	No			--	A		\$2,000		--	6051
<u>Fund Code</u>	<u>Title</u>										
6051	SafeDrinkWtr,WtrQual/Sup,FldCtrl,RvrCstl										

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 _____

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