

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: July 13, 2009
POSITION: Neutral, note concerns

BILL NUMBER: SB 310
AUTHOR: D. Ducheny

BILL SUMMARY: Water Quality: Stormwater and Other Runoff

This bill would allow cities, counties, and special districts permitted for a municipal stormwater system under a National Pollution Discharge Elimination System (NPDES) permit to develop a watershed improvement plan (WIP) as specified. A Regional Water Quality Control Board (Regional Board) would review and approve a plan to ensure consistency with the region's water quality control plan. Additionally, a Regional Board may participate in the development of the WIP. The bill would allow a fee to be imposed by the local agency developing the WIP to offset their costs of plan preparation and implementation, and reimburse the Regional Board for the cost to review and oversee the WIP.

FISCAL SUMMARY

The State Water Resources Control Board (State Board) estimates that this bill would cost \$2 million Waste Discharge Permit Fund (WDPF) annually for 12.5 positions. The Regional Water Boards would require between 0.5 and 2.0 positions in each region to assist in development and approval of WIPs. These costs would be recovered from fees assessed by the entity or entities that develop the WIP.

SUMMARY OF CHANGES

Amendments to this bill since our analysis of the April 29, 2009 version include the following significant amendments which change our position from oppose to neutral, note concerns:

- A Regional Board would review and approve a proposed WIP if it facilitates compliance with water quality requirements.
Entities that develop a WIP would reimburse the Regional Board for the cost to review and oversee the plan's implementation.
Any fee imposed by a city, county, or special district to pay for a WIP must be supported by evidence that the fee is related to the cost of mitigating the actual or anticipated adverse effect of the activities of the feepayer.

COMMENTS

The Department of Finance is neutral on the bill but notes concerns that the cost of WIP development will lead to new or increased fees that would be passed on to California consumers. The bill would declare that any new fee must be related to the cost of mitigating the effects of the feepayer's activities. However, this does not explicitly guarantee that all State Board WIP development and approval costs would be covered.

The bill specifically describes everything that must be included in a WIP and how a WIP must be implemented. The appropriate Regional Board would be notified of a local agency's intention to develop a WIP and the board may participate in its development. While Regional Board participation in WIP development is not required, their involvement would be prudent and in the local regional region's best interest as any new plan would have to be consistent with that region's basin plan.

(Continued)

Analyst/Principal Date Program Budget Manager Date
(0622) K. DaRosa Karen Finn

Department Deputy Director Date

Governor's Office: By: Date: Position Approved
Position Disapproved

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

D. Ducheny

July 13, 2009

SB 310

COMMENTS (continued)

The bill is intended to provide more options for stormwater management and innovation by promoting the development of cooperative watershed approaches to reduce urban stormwater volumes and runoff pollutants. The bill would maintain existing regulatory requirements, while allowing local agencies to construct, operate, and maintain their own controls and facilities meant to improve a variety of water quality issues related to stormwater. Finance is concerned that the bill does not clearly define jurisdictional authority limits between the State Board, Regional Boards, and local agencies as they relate to WIP implementation and enforcement.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							Fund Code
	LA	(Dollars in Thousands)							
	CO	PROP		2009-2010		2010-2011		2011-2012	
	RV	98	FC		FC		FC		
1256/Othr Reg Fee	RV	No	U	\$2,125	U	\$1,975	U	\$1,975	0193
3940/SWRCB	SO	No	C	\$2,125	C	\$1,975	C	\$1,975	0193
<u>Fund Code</u>	<u>Title</u>								
0193	Waste Discharge Permit Fund								