

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: Original
POSITION: Oppose

BILL NUMBER: AB 1713
AUTHOR: Eggman, Susan Talamantes

BILL SUMMARY: Delta Conveyance Project

This bill prohibits the construction of a facility or structure that conveys water directly from a diversion point in the Sacramento River to pumping facilities of the State Water Project or the federal Central Valley Project south of the Sacramento-San Joaquin Delta (Delta), unless expressly authorized by an initiative voted on by the voters of California on or after January 1, 2017, and would require the Legislative Analyst's Office (LAO) to complete a prescribed economic feasibility analysis prior to the vote.

FISCAL SUMMARY

The Natural Resources Agency (Agency) states this bill results in approximately \$1 billion Water Resources Development Bond Fund cost increases over two years based on a two year delay in construction until after a successful November 2018 vote, and current assumptions of 3.5 percent annual cost increases relating to large construction projects based on the total current estimated construction cost of \$14.9 billion.

COMMENTS

The Department of Finance is opposed to this bill because it is unnecessary as there has been ample opportunity for public input on a Delta conveyance facility through an unprecedented level of public review and comment including; (1) three publicly reviewed environmental documents; (2) two public comment periods totaling more than three hundred and forty days; and (3) more than six hundred public meetings, working group meetings, and stakeholder presentations and discussions. In addition, this bill would increase total construction costs for the project.

Agency has been working with state and federal agencies since 2006 on a plan to secure the state's water supplies and improve the Delta ecosystem. In April 2015 state and federal agencies announced California WaterFix (WaterFix) as a replacement of the proposed Bay Delta Conservation Plan (BDCP) for the state's proposed water supply conveyance project. WaterFix reflects the state's proposal to separate the BDCP's conveyance facility and habitat restoration measures into two separate efforts (WaterFix and California EcoRestore). These two efforts are a direct reflection of public comments and fulfill the requirement of the 2009 Delta Reform Act to meet co-equal goals of providing a more reliable water supply for the state and protecting, restoring, and enhancing the Delta ecosystem.

While this bill's objective to give the state's voters an opportunity to weigh in and approve a conveyance project prior to construction is well intentioned, WaterFix's level of public review, comment, and scientific input accomplished to date renders this bill unnecessary.

Analyst/Principal (0631) A.Martin	Date	Program Budget Manager Karen Finn	Date
Department Deputy Director			Date
Governor's Office:	By:	Date:	Position Approved _____ Position Disapproved _____
BILL ANALYSIS			Form DF-43 (Rev 03/95 Buff)

BILL ANALYSIS--(CONTINUED)

AUTHOR

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Code/Department Agency or Revenue Type	SO LA CO RV	PROP 98	FC	(Fiscal Impact by Fiscal Year)			Fund Code
				2015-2016 FC	2016-2017 FC	2017-2018	
0540/Secy Nat Res	SO	No		----- See Fiscal Summary -----			0502
<u>Fund Code</u>	<u>Title</u>						
0502	Water Resources Development Bond Fund						