



WATER RESOURCES AGENCY

MEMORANDUM

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Monterey County

DATE: April 3, 2026

TO: Finance & Administration Committee

FROM: Ara Azhderian, General Manager

SUBJECT: Legislative and Regulatory Activities Update

STATE:

Rate Setting – AB 2180: On March 19, 2026, an ACWA led coalition, including the Agency, submitted a letter of support (attached) to Assemblymember Juan Carrillo, Chair of the Assembly Committee on Local Government. AB 2180 aims to clarify how agencies like ours may comply with Proposition 218's proportionality requirement by codifying the framework established in *Dreher v. Los Angeles Department of Water and Power*. On March 25, the Committee held a hearing wherein overwhelming support led to a 7-2 vote to advance the bill to the Assembly floor. A full vote is expected during the week of April 6.

Proposition 4 – AB 107: Previously, the Agency expressed support for AB 35, which aims to exempt Proposition 4 spending from the Administrative Procedure Act so that funds could be deployed more quickly and efficiently. In coordination with the County's advocacy team, a letter of support was submitted to the bill's author, Assemblymember David Alvarez, on March 4<sup>th</sup>. While AB 35 works its way through the process, AB 107 was passed and signed into law on February 19<sup>th</sup>, providing a stopgap by exempting all programs distributing Proposition 4 funds allocated in the 2025 budget from the Administrative Procedure Act. As Prop 4 funding becomes available, the Agency is prepared to submit applications for the competitive awards.

Golden Mussels: There are three bills in the early stages of development that could strengthen California's response to invasive species, specifically golden mussels. The bills would build on the success of a coalition formed earlier this year, and supported by ACWA, led by Metropolitan Water District and East Bay Municipal Utility District. That effort resulted in a \$20 million allocation being added to a budget trailer bill from an invasive species account for use in responding to golden mussel issues such as severe damage to water infrastructure. While much of the current state and federal legislative focus on golden mussels is understandably focused on funding for research and activities to mitigate infestations, the Agency is advocating for funding for prevention programs and establishment of statewide inspection standards.

California Water Plan 2028: With great fanfare, the State launched its latest effort to update the California Water Plan, which is being spurred by the passage of SB 72 (Caballero) last year. At the center of SB 72 is an interim statewide planning target of 9 million acre-feet by 2040. The target is a shared benchmark, which also includes conservation, recharge, and storage strategies to close projected water supply gaps and strengthen long-term water reliability. A 35-member advisory committee has been convened by the Department of Water Resources to help shape a workplan for both the 2028 and 2033 Water Plan updates. How the plan update will affect Monterey County remains unclear, so the Agency will track the process. For more information, see the Fact Sheet attached or visit the [californiawaterplan.com](http://californiawaterplan.com).

#### FEDERAL:

Farm Bill: After months of delays and uncertainty, Congress is once again moving forward on a long-overdue five-year Farm Bill. The House Agriculture Committee recently considered the Farm, Food, and National Security Act of 2026 (H.R. 7567), marking an important step in what has been a complex and evolving legislative process. While agriculture is inseparable from water, the broader political dynamics influencing the bill's path continue to bring uncertainty and complications for producers, water agencies, and rural communities alike. For the Agency, we are looking forward to updates to the Watershed Protection and Flood Prevention Program (PL-566), which could be a potential funding mechanism for the Interlake Tunnel Project. Proposed changes aim to streamline project delivery, scale environmental reviews to project size, and expand state-level decision-making authority. Also of interest is the Forestry title, which aims to expand authorities for wildfire mitigation, hazardous fuels reduction, and cross-boundary restoration to better protect headwaters and reduce the downstream impacts of catastrophic wildfire on water supply and infrastructure.

Community Project Funding Requests: Working with the County's advocacy team, the Agency submitted three CPF requests in March to Senators Padilla and Schiff and Representatives Lofgren and Panetta. The requests are for the San Antonio Low-Level Outlet Works Rehabilitation Project, \$6,000,000, the Nacimiento Lake Drive Repaving Project, \$2,100,000, and the Reclamation Ditch Restoration Project, \$500,000. In the last legislative cycle, Senator Padilla picked up our San Antonio request but it ultimately did not make the final bill signed by President Trump in January.



# California Water Plan 2028

FEBRUARY 2026

## California is Entering a Defining Moment for Water

Climate-driven weather extremes, long-term water supply uncertainty, and aging infrastructure are stressing a system built for a different era. The modernized **California Water Plan 2028** is the state's opportunity to respond with a clear, actionable, and durable approach to statewide water planning.

A new California Water Plan is produced every five years by the Department of Water Resources (DWR). The **2028 Water Plan** will guide water resource decisions, support implementation, and help California plan for a hotter and more unpredictable future. It will be grounded in data, informed by regional realities, and shaped through meaningful public engagement.



## Modernizing Water Policy

The modernization of the California Water Plan is driven by Senate Bill (SB) 72. This legislation sets a clear expectation: move statewide water planning from description to direction. The Water Plan will be modernized to:

- Identify and evaluate effective water management strategies, informed by economic considerations
- Quantify beneficial uses of water at a watershed scale throughout California
- Expand engagement across all sectors as DWR develops the Water Plan
- Establish clear water supply targets that help align state, regional, and local actions



## What the Water Plan Will Do

DWR will produce a modernized water plan that:

- Builds a clear understanding of statewide water supply and demand gaps, now and into the future
- Identifies effective, local, regional, and statewide water management strategies
- Establishes an interim statewide planning goal to identify 9 million acre-feet of additional water supply by 2040
- Lays the groundwork for setting measurable, watershed-level and statewide targets in future Water Plan updates
- Carefully considers future water supply needs for all beneficial uses across the state



## Three Core Building Blocks

The 2028 California Water Plan is organized around three integrated workstreams:

### 1 Data for Water Use and Supply Balances

Incorporate improved and expanded statewide water data alongside advancing technologies.

### 2 Targets for Long-Term Water Supply

Understand what climate change is expected to do to future supplies and identify gaps. Use this to set credible, localized water targets across sectors and regions.

### 3 Actions for Adaptation and Implementation

Develop actionable strategies for water managers to adapt to climate change and improve water supply reliability. Include cost-benefit analyses and coordinated tracking across the state.



## The Role of Public Engagement

An effective Water Plan requires meaningful engagement from across the state. The 2028 Plan is being developed through an open, transparent process designed to reflect California's diversity of regions, water systems, and perspectives.

DWR is convening an Advisory Committee with representation from urban, rural, and agricultural water suppliers, local government, business and labor, environmental and environmental justice interests, Tribes, and other interested parties. Advisory Committee meetings will be open to the public and governed by state open-meeting requirements.

DWR will also host public forums and caucuses across the state, a Tribal Advisory Committee, and a technical workgroup to broaden participation and ground statewide planning in real-world conditions. This engagement is not a formality. Input from communities, practitioners, and leaders across California will directly inform data development, planning assumptions, targets and strategies.

## What This Means Going Forward

The California Water Plan is not a single report or a one-time exercise. It is the foundation for a more coordinated, action-oriented approach to managing water in an era of increasing uncertainty.

This work will succeed with sustained collaboration and the expectation that California's water future is a shared responsibility.



For more information

[CaliforniaWaterPlan.com](https://CaliforniaWaterPlan.com)