

20252024 Policy Platforms
February 12, 2025~~March 27, 2024~~

Federal

The ~~second session of the 118th Congress convened at noon on January 3, 2025~~2024. ~~While As the nation enters a periods of a more conservative approach to the federal divided-government, at the federal level are, at times, characterized by bipartisan agreements, the House of Representatives and the United States Senate may continue to are suffering from a period of legislative gridlock due to tight majorities in both chambers with few achievements. Thus far, this has also impacted legislation that would affect water policy and water infrastructure investment. This trend is likely to continue through 2024.~~

The Executive Branch will ~~continue to be~~ industrious in ~~2025~~2024, particularly as the general election approaches in November though it is somewhat unclear what path the Administration will take regarding water policy. ~~For Certainly instance, the Administration will once again have to implement a new in carrying out its "PFAS Roadmap", the revisions to the "Waters of the United States" (WOTUS) rulemaking that closely aligns with Justice Alito's opinion in the Sackett v. EPA decision. or "Navigable Waters Protection Rule," and the proposed The Administration will also have to determine if it will follow the previous Administration's "PFAS Roadmap" or undertake a new rulemaking, similar to its outlook for the Lead and Copper Rule Improvements (LCRI). Also uncertain is how, the new Administration will has demonstrated a willingness to maintain or restrain other an active role in federal water policy and we anticipate additional rulemakings and Notices of Funding Opportunities (NOFOs) through 2025~~2024.

~~New Administrations can be disruptive and there will likely be a continuation of that trend. With few legislative accomplishments to date, While there are no expected large-scale efforts in Congress at reforming the nation's water policy laws, nor at creating new water programs in statute, there are other priorities -- such as reforming many federal permitting programs -- that may be of benefit to Mesa Water District (Mesa Water®) in accelerating its capital improvements. In the wake of The legislative gains from the 117th Congress -- like those included in the Infrastructure Investment and Jobs Act (IIJA) and the Inflation Reduction Act (IRA) -- are largely complete, and Congress has turned its attention to will continue rigorous oversight on the execution of these investments.~~

While the IIJA and IRA included opportunities for municipal water utilities, ~~many of these programs are coming to their conclusion remain reliant on the annual appropriations process, which has now begun in earnest with the delivery of the President's FY2025 Budget to Congress on March 11, 2024. As the federal agencies like the Bureau of Reclamation and the Environmental Protection Agency have IIJA, IRA, and FY2024 funds available for awards this calendar year, it remains uncertain what Congress will do to augment these programs in FY2025. Also, through its advisory committee, the Department of Government Efficiency, the new Administration has signaled its intention to identify up to \$2 trillion in savings, and all discretionary programs -- including those of benefit to Mesa Water -- will face increased scrutiny in the next two to four years.~~

~~Lastly of note is the overturning of more than 40 years of case law related to the Chevron doctrine as held by the Supreme Court in its decision in Loper Bright Enterprises v. Raimondo. For decades, courts have shown deference to federal agency rulemakings and interpretations~~

when provided with otherwise ambiguous laws from Congress. With the overturning of the Chevron doctrine, lower courts have been instructed to no longer provide the federal agencies with this level of deference. This will curtail ample rulemaking authority of federal agencies, force courts to revisit a series of previous rulemakings, and demand that Congress provide more clarity when instructing agencies to fulfill laws.

State

Calendar Year ~~2025~~2024 marks the ~~first~~second year of California's two-year (~~2025~~2023 and ~~2026~~2024) legislative session, with the ~~S~~state legislature having reconvened on ~~Wednesday, January 4, 2024~~ January 6, 2025.

~~With California's wrestling a projected \$38-73B budget deficit in the upcoming fiscal year,~~ water-related legislation and regulations will continue to focus on several priority issues: water affordability ~~—arrears funding, no residential shut-offs,~~ and the ever-present possibility of Proposition 218 (Prop. 218) reform; water conservation and water use efficiency; water rights; and, continued but reduced investments in climate adaptation~~change,~~ drought response and water resilience, wildfire and forest resilience, and zero-emission vehicles acceleration; ~~and, implementing the newly-adopted water conservation and water use efficiency regulation.~~

Additionally, in reaction to the recent catastrophic Southern California fires, all branches of state government will be more focused on improving wildfire prevention, protection and recovery, including forest management, headwaters protection, water infrastructure investments, and related policy issues.

For ~~2025~~2024, some legislative proposals and policy discussions from ~~prior years~~2023 are anticipated to have returned, including legislation and regulations that could significantly impact Mesa Water ~~District (Mesa Water®),~~ such as:

- climate adaptation, drought resilience, and related issues (e.g., electrification, energy policies, public safety power shutoffs);, including implementation of Proposition 4 (which passed on the November 2024 general election ballot) whereby the state legislature and administration will use the state budget process to propose a spending plan for the authorized \$10 billion;
- headwaters and wildfire prevention, protection and recovery, forest management, and related policy issues (as mentioned previously);
- ~~water use efficiency/conservation regulations pertaining to data reporting, water loss performance standards, bonus incentives/credits/variances for recycled water and potable reuse, and other topics related to implementing SB 606 and AB 1668 (passed in 2018);~~
- water affordability related to California's Human Right to Water and the Safe and Affordable Drinking Water Fund (respectively, [AB 685](#) and [SB 200](#)), and Low-Income ~~Water~~-Rate Assistance (~~LIWRALIRA~~) programs, also called "lifeline rates" ([AB 401](#)), for residential water customers, as well as the ongoing implementation of the Water Shutoff Protection Act ([SB 998](#));
- affordable housing proposals related to surplus property, CEQA streamlining, and Accessory Dwelling Units, including legislative attempts (as in prior years) to change public

agencies' authority to charge impact fees for new housing developments;

- water quality, PFAS, and other Constituents of Emerging Concern (CECs);
- governance, open meetings, and transparency;
- water use efficiency/conservation "clean-up" proposals, including those related to the indoor water use reduction standards of SB 1157 (passed in 2022 and authored by former Senator Hertzberg-D, Van Nuys) resulting from indoor water use studies;
- water district consolidations efforts as considered/continued by the State Water Resources Control Board (SWRCB);
- the Colorado River and California Delta (e.g., Bay-Delta Water Quality Control Plan, Delta Conveyance Project, Endangered Species Act, Healthy Rivers and Landscapes); and,
- California's water rights system could potentially be further amended.
- ~~headwaters protection, forest management, and wildfires prevention;~~
- ~~climate adaptation, drought resilience, and related issues (e.g., electrification, energy policies, public safety power shutoffs);~~
- ~~water quality, PFAS, and other Constituents of Emerging Concern (CECs);~~
- ~~governance and transparency post-pandemic;~~
- ~~affordable housing proposals to alleviate homelessness (e.g., Accessory Dwelling Units, CEQA reform, housing development fees, surplus property); and,~~
- ~~the Colorado River and California Delta (e.g., Delta Conveyance Project, Endangered Species Act, Voluntary Settlement Agreements).~~

As policy discussions are now underway in 2025~~2024~~, the above issues will be the primary areas of legislative and regulatory focus. ~~Additionally, there is ongoing work in 2024 on a potential water bond effort — most likely via a legislative process — for the November 2024 ballot.~~

On the air quality front, the administration and regulators finalized (in 2023) CA's [Advanced Clean Fleets \(ACF\) Rule](#) requiring 50% of new medium- and heavy-duty vehicle fleet purchases by public agencies to be zero-emission starting this year, increasing to 100% in 2027.

As a reminder, in 2020, Governor Newsom issued two climate-related Executive Orders to require: 1) by 2035, that all new cars and passenger trucks sold in ~~CA~~ California are Zero-Emission Vehicles ([N-79-20](#)); and, 2) by 2030, the conservation of 30% of the state's land and coastal waters ([N-82-20](#)). These state efforts could be augmented by federal funding opportunities, including approximately \$1 billion that was included in the IRA for Clean Heavy-Duty Vehicles through the Environmental Protection Agency to provide grants, rebates, and contract support to replace heavy duty vehicles with zero-emission alternatives.

Lastly, Mesa Water will continue to engage with various agencies and associations that the district is affiliated with (e.g., ~~ACC-OC~~, ACWA, AWWA, CalDesal, CMUA, CSDA, CWSA, MWDOC/MWD, ~~OCBC~~, OCWD, OC Tax, SCWC, WaterReuse) to advocate on policy issues including, but not necessarily limited to: 1) upholding local control and ratemaking authority~~protecting local revenues~~; 2) promoting the "true, full cost of water" concept; 3)

supporting desalination; and, 4) protecting the principles contained in Prop. 218 (Articles XIII C and XIII D of California's Constitution) ensuring that water use efficiency mandates are feasible, flexible, and recognize investments in local water source development. In ~~2025~~2024, Mesa Water advocacy staff and consultants will remain focused on these four policy priorities and on government funding opportunities. Listed below, for the Board's consideration, are the proposed policy platforms regarding anticipated high-priority public policy issues in ~~2025~~2024 that could have major consequences for Mesa Water:

- **Water Rates** – Mesa Water supports local rate-setting authority with rate structures, set by publicly-elected boards and councils, that best serve customers and comply with the law. Furthermore, Mesa Water supports cost-based water rates that:
 - represent the true, full cost of water services, including operational costs and infrastructure funding to ensure water system sustainability in perpetuity; and,
 - harmonize the concepts of conservation and legality, with rates that provide a strong price signal for ratepayers to conserve while also complying with legal mandates (i.e.g., Article X of the ~~CA~~California Constitution; SB 606 and AB 1668; and, Propositions 13, 26, and 218).
- **Proposition 13** – Mesa Water supports Article XIII A of the California Constitution (Prop. 13) and the taxpayer protections it provides as passed in 1978; ~~and~~; Mesa Water opposes a "Split Roll" that would remove some of the protections of Prop. 13 from nonresidential properties to raise taxes on them.
- **Proposition 218** – Mesa Water supports Article XIII C and D of the California Constitution (~~Prop. 218~~) regarding government service assessments, fees, rates; and taxes, specifically:
 - the "2/3 vote" required from the legislature and voters for approval of new levies;
 - the "special benefit and proportionality requirements" provision, which directly connects the special benefits received with reasonable proportionate costs, and ensures that assessments imposed for property-related (water) services must not exceed the proportional cost of the services attributable to the parcel; and,
 - transparent rate-setting procedures that protect consumers from potential government overcharge by providing ample-sufficient opportunities for consumer participation and the ability for consumers to protest illegal rates.
- **Water Rate Assistance Programs** – Mesa Water supports localized "lifeline rates" or federal/state-funded LIRA LIWRA programs that comply with Prop. 218 of the California Constitution; and are funded either voluntarily or via non-restricted/non-water-rates revenues. Mesa Water opposes a state tax on local water customer bills.
- **Orange County Groundwater Basin** – Mesa Water opposes any potential streamlined process for adjudicating groundwater basins, including the Orange County groundwater basin, managed by the Orange County Water District (OCWD).
- **Water Bonds Funding (Propositions 1 and 468)** – Mesa Water supports funding from the November 2014 and ~~November 2018~~ November 2024 water bonds for ~~OCWD's priority~~ projects that provide benefits prioritized by: 1) Mesa Water's service area, 2) OCWD's

service area, 3) MWDOC's service area, 4) MWD's service area, 5) the State Water Contractors, and 6) California as a Lower Basin State user of Colorado River Water.

- **Water Desalination** – Mesa Water supports CalDesal in its desalination advocacy efforts, as well as the local, ~~and~~-regional, and statewide development of cost-effective and environmentally-sensitive water desalination projects ~~statewide~~--- including brackish groundwater and seawater desalination projects -- to enhance the availability and reliability of ~~local and regional~~ water supply sources, and improve water supply reliability for Orange County, Southern California, statewide, and the West. Mesa Water also supports funding opportunities for these efforts, especially for the district's Local groundwater Supply Improvement Project (Local SIP).
- **Water Conservation/Water Use Efficiency** – Mesa Water supports accounting for water resource and supply investments -- such as desalination, potable reuse, and water recycling -- as part of ~~any potential statewide effort to update implementing the state's urban water conservation goals~~ "Making Conservation a California Way of Life" regulation. Mesa Water supports compliance flexibility and local control; maximum credit for drought-resilient supplies, deference to local discretion regarding ~~including~~ variances for potable reuse water; and, regulatory water use and water loss target-setting that is based on local administration and enforcement, as specified in the regulation ~~valid data and includes a glide path for enforcement as well as a variance process for unique situations~~. Mesa Water also supports the continued streamlining of water reporting data as part of the implementation of, and compliance with, the regulations SB 606 and AB 1668.
- **Water Recycling** – Mesa Water supports OCWD and WaterReuse in its efforts to advance potable reuse investment, and favorable legislation and regulations. Mesa Water supports the "Beneficiaries Pay" principle for the development and implementation of new recycled water projects including stormwater capture.
- **Water Quality and Economic Feasibility** – Mesa Water supports efforts by the Association of California Water Agencies (ACWA) and other water industry associations/organizations to protect public health by using a full impact analysis that includes the best available scientific data, public input, and cost/benefit analyses to inform the development of reasonable and fiscally-responsible water quality standards legislation and regulations -- for current and future constituents of concern (e.g., microplastics, PFAS) -- which consider technical and economic feasibility of the standards and treatments to ensure clean, safe drinking water. Mesa Water also supports efforts by the Community Water Systems Alliance (CWSA) to require the SWRCB to define a consistent, objective method for determining the "economic feasibility" of a drinking water regulation. Additionally, Mesa Water believes that the inclusion of certain constituents (like PFAS) as designated under the Comprehensive Environmental Response Compensation and Liability Act (CERCLA or "Superfund") should be subject to public notice and comment under a formal rulemaking process and carefully considered by federal agencies, especially regarding clean-up costs and funding programs to assist such ~~and subject to public notice and comment under a formal rulemaking process~~.
- **Water Storage, Banking and Exchange/Transfer Programs** – Mesa Water supports the "Beneficiaries Pay" principle for water storage/banking and exchange/transfer programs

if they are market-based, ensure full cost recovery at a minimum, and account for water loss.

- **Affordable Housing** – Mesa Water supports the advocacy efforts of the California Special Districts Association (CSDA) and other industry associations/organizations on policies related to Accessory Dwelling Units (ADUs), CEQA ~~reform~~/streamlining, development impact fees (e.g., capacity charges, connection fees), metering/sub-metering, surplus property, and other proposed affordable housing solutions provided that they protect water utilities' ability to provide reliable residential water services that are appropriately priced and right-sized for public health and safety.
- **Local Government** – Mesa Water supports the efforts of CSDA and other industry associations/organizations to ensure local control and representation, efficient and transparent delivery of government services, and appropriate reserve funds levels. Mesa Water also supports CSDA's sponsored legislation -- related to open meetings and the Brown Act -- allowing remote meeting flexibility, and the annual "Special Districts Week".
- **Local Agency Formation Commission (LAFCO)** – Mesa Water supports the existing protest thresholds for LAFCO-initiated reorganizations, per the Cortese-Knox-Hertzberg (CKH) Act, and opposes changes that would make it more difficult for citizens to protest a LAFCO-initiated reorganization. Additionally, Mesa Water opposes any changes to the CKH Act that would weaken local control and representation and/or broaden the mission, powers, and scope of LAFCOs without providing any added public benefit.
- **Special Districts Voting Methods** – Mesa Water supports exempting special districts from Cumulative Voting and Ranked Choice Voting methods, and opposes attempts to make these methods an option or a mandate for special districts elections.
- **Delta Solutions** – Mesa Water supports the efforts of ACWA, Municipal Water District of Orange County (MWDOC), Metropolitan Water District of Southern California (MWD), and Southern California Water Coalition (SCWC) to achieve a long-term solution for the Bay Delta that includes functional, ~~unimpaired~~ flows and/or "voluntary agreements per the "Healthy Rivers and Landscapes" proposal for optimal statewide water supply reliability, sustainability, and quality, and for Delta ecosystem health and restoration for the public benefit. Mesa Water® supports the "Beneficiaries Pay" principle for funding the Delta Solution (now called the "Delta Conveyance Project")-funding.
- **CA-California Headwaters and Forest Management** – Mesa Water supports the efforts of ACWA and other water industry coalitions to promote policies that enhance the pace and scale of California headwaters protection, forest management, and wildfires prevention -- including improved planning, coordination, and implementation -- and increase financing/funding, research, and resources to: 1) protect water supply and quality, 2) bring forest management practices in line with modern challenges, and 3) ~~provide-multiple-benefits-to-the-State's-water-users~~ implement pre-hazard mitigation measures.
- **Climate Adaptation/Resilience Bond (Prop. 4) Implementation** – Mesa Water supports the efforts of ACWA and other water industry associations/organizations in engaging with ~~the Governor's Administration, lawmakers, and regulators~~ California

~~policymakers to ensure appropriate prioritization of the \$10 billion in added funding from Prop. 4 for water infrastructure projects, such as: brackish water desalination and salinity management projects, groundwater projects, water recycling/reuse projects, and water quality and supply projects.on resource funding related to the Governor's Executive Orders on climate change and related issues including, but not necessarily limited to: 1) drought resilience, 2) investments in new water supplies development, and 3) energy solutions.~~

- **Essential Public Utilities** – Mesa Water supports the concept of exempting Essential Public Utilities -- such as water and wastewater service providers -- from future legislation, administrative actions, and regulations that add costs or time delays to a utility's work by mandating new, unfunded operational practices.
- **Federal Drought Legislation and Water Infrastructure ~~Financing~~ Funding** – Mesa Water supports the efforts of ACWA, the National Special Districts ~~Coalition~~ Association (NSDCNSDA), and other water industry associations/organizations in collaborating with the California Congressional delegation and other decision-makers to develop bicameral, bipartisan federal drought legislation and investments in California's water infrastructure. Mesa Water also supports ~~NSDC's~~ NSDA's efforts to define special districts in Federal law.
- **Cannabis Growers' Negative Water Impacts** – Mesa Water supports legislation and/or regulations ~~against that penalize~~ cannabis growers' water theft and/or actions that harm negative impacts to water supplies, and sources, and the environment.
- **ACWA's Federal Water Policy Priorities** – Mesa Water supports ACWA's Federal water policy priorities related to: 1) water infrastructure funding, 2) West-Wide Drought Legislation, 3) tax exemptions for water conservation rebates, and 4) regulations related to: a) CECs and PFAS, b) Lead Copper Rule Revisions/Improvements (LCRR/LCRI), and c) public water systems' cybersecurity (and funding for such), and d) potential PVC pipe rulemakings under the Toxic Substances Control Act (TSCA).
- **CMUA's State Water Policy Priorities** – Mesa Water supports CMUA's ~~S~~state water policy priorities related to advocating for: 1) permissive LIRA programs that comply with Prop. 218 and that can be effectively implemented and efficiently administrated~~CARB's Advanced Clean Fleets Rule to provide feasibility, flexibility, and practicality considerations for California's water utilities,~~ 2) stronger penalties for tampering with/theft of water infrastructure and to deter water theft~~workforce development for California's water industry,~~ and 3) Statewide Water Solutions legislation -- in partnership with the ~~Solve the Water Crisis~~California Water for All coalition -- to create ~~a~~ long-term goal targets for increasing water supplies for beneficial use throughout California, along with an implementable plan to achieve ~~that such~~ goal targets.
- **Electric Grid Reliability** – Mesa Water supports: 1) energy investments, legislation, and/or regulations that enhance the reliability and/or security of the electrical grid to provide a stable and consistent source of electricity for water operations, 2) variances that allow ~~backup~~ fossil fuel generator maintenance, testing, and use for water operations during emergencies and/or electric power disruptions, and 3) incentives to offset the costs of water industry compliance with renewable energy and zero-emission vehicle mandates. Mesa Water also supports CSDA's and its coalition's proposal for ACF compliance relief, and

exemptions/variances for emergency operations, for California's public utilities.

- **MWD's Regional Reliability Focus** – Mesa Water supports collaborating with MWD and its member/sub-member agencies to advance regional water supply reliability throughout Southern California, including MWD's Climate Adaptation Master Plan for Water (CAMP4W) process; -- particularly in support of the CAMP4W goals ~~to ensure~~of water reliability, resiliency, affordability, and sustainability -- and MWD's efforts to ensure that the Colorado River system remains a reliable water supply resource for Southern California.
- **OCWD's PFAS Cleanup** – Mesa Water supports OCWD's efforts to ensure that public water systems are not responsible for current/future PFAS cleanup costs by: 1) securing PFAS cleanup funding, 2) protecting public water systems that comply with applicable/appropriate management and treatment standards from liability under CERCLA, and 3) upholding the "polluter pays" principle in CERCLA.
- **Water Projects Permitting** – Mesa Water supports CEQA streamlining to expedite the permitting process for water supply development infrastructure projects.
- **Water Rights** – Mesa Water supports the water industry's interest in: 1) protecting the existing water rights priority system, and 2) potentially improving "modernizing" the administration of existing water rights priority system in collaboration with water associations and water industry coalitions.
- **Frivolous Lawsuit Prevention** – Mesa Water supports the CWSA coalition's proposal to prevent frivolous litigation against a water system while it is working diligently to implement a state-approved plan to comply with a water quality regulation. Also, for regulations undergoing compliance clarification, Mesa Water supports enforcement delays or exemptions.