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LEGISLATIVE ACTION

Senate

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House

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Floor: 4/F/2R

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01/13/2016 11:21 AM

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Senator Soto moved the following:

**Senate Amendment (with title amendment)**

Between lines 3880 and 3881

insert:

Section 38. (1) The Department of Environmental Protection shall contract with an independent, nongovernmental entity for an economic, environmental, and policy study analyzing water use fees in this state. This study should be modeled after the 1991 study by Chase Securities entitled "Capitalizing a Water Resource Trust Fund with Water Use Fee Revenues: Feasibility and Effects," which analyzed possible implementation of



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12 Recommendation 18 of the report entitled "Governor's Water  
13 Resource Commission Final Report," submitted to Governor Bob  
14 Martinez, December 1, 1989.

15 (2) The study must address the following:

16 (a) Projected water usage in the state and potential  
17 revenues from that usage, factoring in price elasticity and  
18 possible credits;

19 (b) Operating assumptions for a Water Resources Trust Fund,  
20 including the mix of loans and grants, interest rates, leverage,  
21 and capitalization requirements, and recommendations for  
22 allocation of trust fund revenues;

23 (c) The impact of various fee levels, by county, on  
24 residential use, industry, and agriculture;

25 (d) The positive and negative aspects of applying fees  
26 universally and selectively;

27 (e) A review of water conservation technologies in  
28 agriculture and industry and how their deployment might be  
29 affected by various fee levels;

30 (f) Identification of a means of ensuring that low-income  
31 residents would not be disadvantaged by water fees;

32 (g) Recommendations on how pricing might vary by region or  
33 type of usage;

34 (h) Recommendations on how fees might be collected from  
35 residential self-supply wells;

36 (i) Recommendations on how to ensure universal water  
37 metering; and

38 (j) Metering and billing options.

39 (3) The study must be completed and made publicly available  
40 by July 1, 2017.



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===== T I T L E A M E N D M E N T =====

And the title is amended as follows:

Delete line 203

and insert:

findings by a certain date; requiring the department  
to contract with an independent, nongovernmental  
entity for an economic, environmental, and policy  
study analyzing water use fees; requiring the study to  
include certain information; requiring that the study  
be completed and made publicly available by a  
specified date; providing a declaration of