



AUGUST 24, 2026 - Board of Directors

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INFORMATION AND DISCUSSION

LEGISLATIVE POSITIONS

SUMMARY:

Legislative Update

Below is a summary of recent legislative proposals related to water management, infrastructure, governance, public safety, and environmental protection that may directly or indirectly impact the Central Basin Municipal Water District (CBMWD). CBMWD remains committed to advocating for and supporting the needs of its diverse communities, including low to moderate income communities and communities of color. By staying informed and actively engaged in the legislative process, the District can advocate for policies that benefit its service area, pursue funding opportunities, and ensure compliance with evolving regulatory requirements.

AB 35 – Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024: Administrative Procedure Act: exemption: program guidelines and selection criteria. (Alvarez)

Description: Implements \$10 billion in statewide water bond funding programs. The purpose of this legislation is to expedite the grant solicitation and award process for Proposition 4 funding by relieving administering agencies from a requirement to develop emergency regulations.

Potential Impacts to CBMWD:

CBMWD may be eligible to apply for funding for:

- Drinking water system improvements Infrastructure upgrades
- Drought resilience and water supply reliability projects

Status:

7/16/26 - Chaptered by Secretary of State - Chapter 89, Statutes of 2026. Approved By Governor.

Position: Support

AB 1712 – City of Santa Fe Springs: sale of water utility property. (Pacheco)

Description: Existing law authorizes the legislative body of a city, if it finds that public interest and convenience require the sale of any public building and site dedicated to a public use, to adopt a resolution of its finding and intention to sell the property. This bill would make nonsubstantive changes to the provision described above relating to sale of a public building and site.

Potential Impacts to CBMWD:

As a wholesale water provider to member cities and retailers, this bill may:

- Support a CBMWD purveyor.
- Assist with Santa Fe Springs with clear governance and administrative processes for local public agencies managing water infrastructure and public assets.

Status: 08/17/2026 – Read third time. Passed. Ordered to the Assembly. (Ayes 40. Noes 0.). In Assembly. Ordered to Engrossing and Enrolling.

Position: Support

AB 2180 – Local government: Proposition 218 Omnibus Implementation Act: proportional cost of service. (Ward)

Description:

AB 2180 would amend the Proposition 218 Omnibus Implementation Act to provide local governments with greater flexibility in establishing and justifying water and sewer service rates and charges. The bill clarifies that agencies may demonstrate the proportional cost of service using any reasonable cost-allocation methodology supported by adequate documentation, rather than requiring an exact parcel-by-parcel calculation.

For water and sewer fees, the bill expressly authorizes the use of uniform or tiered rate structures based on customer or parcel classes with common usage characteristics. It also permits agencies to allocate costs among service tiers using reasonable methodologies, provided the rates charged do not exceed the proportional cost of service attributable to each tier. The measure is intended to provide local agencies with clearer legal authority and flexibility when designing rate structures that comply with Proposition 218 requirements

Potential Impacts to CBMWD:

As a wholesale water provider to member cities and retailers, this bill may:

- Simplify the rate-setting process
- Reduce legal risk associated with Proposition 218 challenges
- Provide greater flexibility in allocating costs between services

Status: 06/11/2026 – Ordered to a third reading.

Position: Watch

AB 2215 – Water rights: permits: State Water Project (Calderon)

Description:

Extend the timeline for the full development of the State Water Project water right permits to December 31, 2085, the same term as existing, validated contracts for the State Water Project water supply.

Potential Impacts to CBMWD:

As a wholesale water provider to member cities and retailers, this bill may:

- Preserve long-term imported supply reliability
- Supports continued deliveries via MWD
- Avoids potential permit expiration
- Alleviates any loss of water rights tied to "beneficial use" deadlines

Status:

07/01/2026 – In committee: Set, first hearing. Hearing canceled at the request of author.

Position: Watch

AB 2381 – Local Agency Public Construction Act: municipal water districts: sanitation districts: lowest responsible bidder. (Johnson)

Description:

Increases the competitive bidding threshold for municipal water districts from \$35,000 to \$220,000.

Potential Impacts to CBMWD:

- Ability to award smaller construction contracts without formal bidding
- Accelerated project delivery
- Reduced Administrative Costs
- Increased flexibility for repairs and small-scale infrastructure improvements

Status:

03/09/2026 – Referred to the Assembly Local Government Committee.

Position: Watch

AB 2568 – Water district directors: compensation. (Johnson)

Description:

The bill would allow certain water districts to increase the number of compensable service days for board members from 10 days per month to up to 15 days per month. The current amended version applies to districts with at least 90,000 residents and would sunset on January 1, 2032.

Potential Impacts to CBMWD:

- Potential increase in Board compensation
- Budgetary considerations
- Governance and policy implications

Status: 06/18/2026 – Read second time. Ordered to third reading.

Position: Watch

AB 2619 – Water resources: data centers. (Papan)

Description:

The bill would require data center owners and operators to disclose projected and actual water use to local governments and water suppliers as part of the business licensing process. It also requires urban water suppliers to account for data center demand in water shortage planning.

Potential Impacts to CBMWD:

- Improved water demand forecasting
- Enhanced long-term supply and infrastructure planning
- Greater coordination with retail agencies and large water users

Status:

08/13/2026 – From committee: Do pass. (Ayes 5. Noes 2.) (August 13). Read second time. Ordered to third reading.

Position: Watch

AB 2739 – Water: affordability and system stabilization. (Soria)

Description: Establishes a state fund (or trust) to support water affordability and stabilize water systems by financing infrastructure improvements and related costs, helping reduce the

financial burden on local ratepayers. It is also intended to provide grants and funding to local water suppliers for system repairs, upgrades, and reliability improvements to ensure safe and affordable drinking

Potential Impacts to CBMWD:

- Access to new funding sources
- Rate stabilization support
- Support for smaller purveyors

Status:

08/13/2026 - From committee: Do pass. (Ayes 7. Noes 0.) (August 13). Read second time. Ordered to third reading.

Position: Support

SB 872 – Delta Levees and Canal Subsidence Fund. (McNerney)

Description:

Appropriates \$150M annually to the Department of Water Resources to support capital improvements and \$150M annually to the Sacramento-San Joaquin Delta Conservancy. The bill proposes changes to California's Greenhouse Gas Reduction Fund allocation priorities, including:

- Annual appropriations for State Water Project canal subsidence repairs,
- Funding for Sacramento–San Joaquin Delta levee improvements,
- Climate resiliency and adaptation investments, and
- Restrictions on using the funds for new Delta conveyance facilities.

Potential Impacts to CBMWD:

As a wholesale water provider to member cities and retailers, this bill may:

- Aligns with regional water agencies.
- Improves vital water infrastructure
- Decreases dependence on rate increases.

Status: 08/17/2026 - Read second time. Ordered to third reading.

Position: Watch

FISCAL IMPACTS:

There is no fiscal impact.

ENVIRONMENTAL COMPLIANCE:

There is no environmental impact.

COMMITTEE STATUS:

This item was presented to the Board of Directors on July 27th.

EXHIBITS:

[Legislative Positions.xlsx](#)