



# STAFF REPORT

**Meeting Type:** Board of Directors  
**Title:** Legislative Update  
**From:** Shaun Horne, Director of Watershed Resources  
**Through:** Ben Horenstein, General Manager  
**Meeting Date:** March 17, 2026

**TYPE OF ITEM:**      X      Action                      Information

**RECOMMENDATION:** Adopt a position of support on Assembly Bill (AB) 2180 and Senate Bill (SB) 1153 and Receive Update on AB 107

**SUMMARY:** The District regularly tracks state and federal legislation that may affect District operations. Staff is proposing that the Board adopt a support position on AB 2180 and SB 1153, which are sponsored by the Association of California Water Agencies (ACWA), of which the District is a member agency. Staff will also provide an update on AB 107 (chaptered).

**DISCUSSION:** The table below summarizes legislation relevant to the District that staff is recommending for support. Staff recommendations are based on vetting of each bill, as well as alignment with ACWA. Generally, the bills recommended for District support provide financial and regulatory support for District operations. A District position of *support* indicates that the district will send letters of support on these items, both through ACWA and independently.

| <b>RECOMMENDED FOR SUPPORT</b> |                   |   |
|--------------------------------|-------------------|---|
| <b>Item</b>                    | <b>Introduced</b> | <b>Summary</b>  |
| <a href="#">AB 2180</a>        | Ward              | <p>AB 2180 would clarify how water agencies comply with Proposition 218 when setting water rates. This clarification will provide predictability for agencies, support California’s water-use conservation goals and help minimize unnecessary legal disputes over water rates.</p> <p>Recent appellate court decisions have created uncertainty about how agencies must demonstrate proportionality — particularly for tiered rates. AB 2180, authored by Assemblymember Chris Ward (D-San Diego), would codify the framework established in <i>Dreher v. LADWP</i> and affirm that:</p> |

|                         |           |  |
|-------------------------|-----------|--|
|                         |           | <ul style="list-style-type: none"> <li>• Costs related to water supplies, infrastructure, and system-wide peak demand may be allocated using reasonable methodologies without tracing specific water sources to individual parcels.</li> <li>• Agencies may use any reasonable method, supported by existing or projected data, to allocate service costs.</li> <li>• Agencies are not required to determine the exact cost of service for each parcel.</li> <li>• Uniform and tiered rate structures are permissible when based on reasonable cost allocation principles.</li> </ul>  |
| <a href="#">SB 1153</a> | Caballero | <p>SB 1153 would clarify the limited role of public water systems during wildfires while strengthening emergency preparedness in high-risk areas.</p> <p>Public water systems are designed and constructed to provide safe, reliable drinking water, not to serve as wildfire defense or suppression systems. While water agencies often aid firefighting efforts, it would be physically impracticable and financially infeasible to design water systems to function as wildfire suppression infrastructure.</p> <p>SB 1153 would:</p> <ul style="list-style-type: none"> <li>• Establish that limitations in water supply or water pressure during a wildfire are not a substantial cause of wildfire damages.</li> <li>• Clarify that wildfire spread is not an inherent risk of the design, construction, or maintenance of a public water system.</li> <li>• Make key findings and declarations regarding the role and limitations of public water systems in responding to wildfires.</li> <li>• Require urban retail water suppliers serving high or very high fire hazard severity zones to include wildfire-specific response procedures in their emergency response plans beginning Jan. 1, 2028</li> </ul> |

**AB 107**

Gov. Gavin Newsom on Feb. 19 signed into law AB 107 (Gabriel) that will shorten timelines for grant solicitations funded by Proposition 4. Funding in the 2025-'26 state budget can now be deployed more quickly and efficiently, ensuring that administrative processes do not hold up vital projects.

Specifically, the new law exempts Proposition 4 funds allocated in the 2025 Budget Act from the Administrative Procedures Act. This will benefit water agencies seeking Proposition 4 funding by ensuring a quicker grant solicitation process.

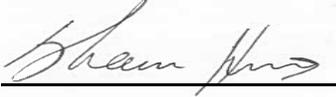
The exemption does not eliminate transparency, consultation or public engagement, but would instead streamline implementation, maintain consistency across programs and avoid creating barriers to delivering critical funding where it is most needed.

**ENVIRONMENTAL REVIEW:** Not applicable.

**FISCAL IMPACT:** None.

**ATTACHMENT(S):**

- 1. AB 2180
- 2. SB 1153

| DEPARTMENT OR DIVISION | DIVISION MANAGER  | APPROVED  |
|------------------------|---|---|
| Watershed              |  |  |
|                        | <b>Shaun Horne</b><br>Watershed Resources<br>Director                             | <b>Ben Horenstein</b><br>General Manager  |