

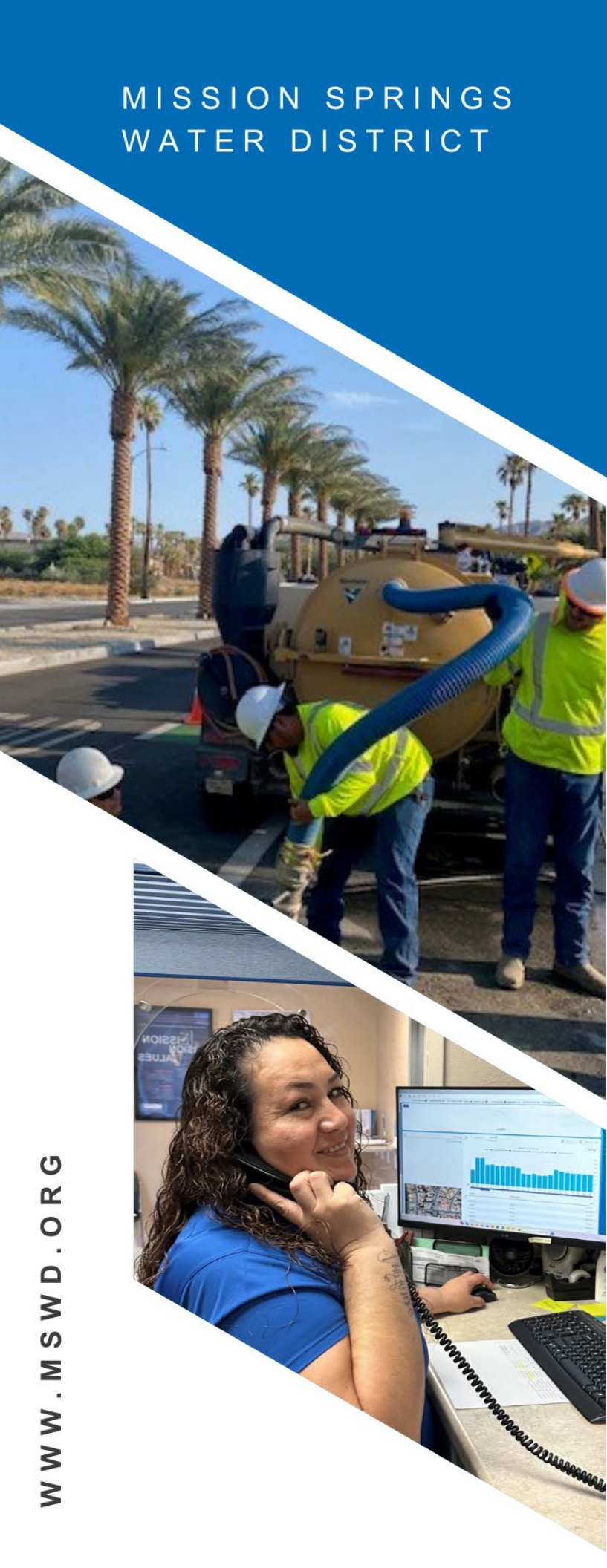
MISSION SPRINGS
WATER DISTRICT

LEGISLATIVE PLATFORM

2025-2026

DRAFT
DEC 2024

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INTRODUCTION

The 2025-2026 Legislative Platform provides a summary of core policy principles to help guide the legislative, regulatory, and administrative advocacy efforts for Mission Springs Water District at the local, regional, state, and national levels of government.

The platform has been developed for the new biennial session of the California Senate and Assembly and the 119th Congress and is consistent with MSWD's mission to provide, protect, and preserve our most valuable resource - water.

While the monthly meetings of the MSWD Board of Directors provide opportunities to receive direction from the Board on policy issues and introduced legislation the platform will guide the General Manager, his designees, and lobbyists so timely action may be taken consistent with the principles outlined in this document.

Developed by the management team and the Board of Directors, this document strives to cover the District's anticipated needs and its positions for the legislative term.

There may be issues that arise that are not addressed in this platform or on which the Board may change its position. It is anticipated that staff will continue to interact with the Board to ensure the iterative process necessary to ensure that the advocacy needs of MSWD are met.

Throughout the year, the Board may also take additional steps to direct staff to oppose or support policy initiatives as they arise.



BILL POSITION DEFINITIONS

The following represents active bill positions MSWD staff may adopt or recommend for consideration by the Board of Directors for adoption.

MSWD staff may adopt a position without a Board of Directors vote if the bill language falls within one of the principles laid out in the latter sections of the platform. Advocacy strategies and activities will be directed toward implementing the Board's policies by advancing MSWD's adopted bill position.

SUPPORT: This position reflects MSWD's unconditional interest in the legislation becoming law. MSWD staff and legislative advocates will work to pass the bill in its present form.

SUPPORT AND SEEK AMENDMENTS: This position reflects a similar level of unconditional support for a bill as the SUPPORT position. However, this position implies that MSWD would prefer specific amendments to be considered to improve the measure. MSWD staff and legislative advocates will communicate and advocate in support of the legislation, even if amendments extended by MSWD are not included in the measure.

SUPPORT IF AMENDED: This affirmative position suggests conditional support for a measure, but only if it is amended to incorporate specific amendments approved by the MSWD Board. Staff and legislative advocates will not support the legislation unless it is amended as requested by MSWD.

WATCH: This position reflects a position on a bill that would not directly affect MSWD at that time. Staff carefully monitors "Watch" bills for further developments and future amendments.

OPPOSE UNLESS AMENDED: This position reflects conditional opposition to a measure unless it is amended to incorporate specific amendments approved by the MSWD Board. Staff and legislative advocates will actively work to defeat the legislation until and unless it is amended as requested by MSWD. If legislation is amended as requested by MSWD, staff and legislative advocates will stop working to defeat the legislation but will not advocate in support of the measure unless further directed by the Board.

OPPOSE: This position reflects MSWD's unconditional interest in defeating the legislation. Accordingly, staff and legislative advocates will work to defeat the measure in its present form and will not pursue amendments to address the measure's shortcomings.

All other bills that are of potential interest or concern to MSWD are monitored by staff and legislative advocates. If any of these measures are amended, they are reevaluated to determine if a formal position should be recommended for Board consideration.

POLICY DIRECTIVES

1. Maintain local control of water resources and resist additional burdens that may hinder District operations and affordability.

The essential principles guiding the District shall be to maintain local control of the water resources that MSWD has managed for the last 70 years. Therefore, efforts made in Sacramento or Washington, DC, to reduce the local control or autonomy of the District and its local groundwater management partners should be strongly opposed.

The District will aim to make additional regulatory burdens as manageable as possible. MSWD will work with other water districts and water associations to advocate to regulators through a coalition approach where appropriate to emphasize state or region-wide burdens that would affect operations.

2. Protect MSWD's ability to operate day-to-day business functions efficiently.

Other measures that may impede the District's ability to maintain day-to-day business operations, including numerous categories such as employment matters, building codes, and public agency contracting, will also be closely monitored, and generally opposed.

3. Protect MSWD's groundwater supplies.

Residents of the Desert Hot Springs area have long recognized the need to protect our groundwater. This guardianship extends back to the 1970s when AD-1 was successfully formed and the Alan L. Horton, Wastewater Treatment Plant, was constructed.

All advocacy efforts will focus on the groundwater aquifer's sustainability both now and in the future. MSWD will support actions that preserve or increase the water available by MSWD and its customers to ensure water delivery infrastructure reliability and to preserve MSWD's ability to achieve sustainable groundwater management in the most economical means. Any actions impacting the District's operations or having a negative effect should be monitored and generally opposed.

4. Support and potentially sponsor efforts to amend state compliance periods for new water quality standards, including monitoring new regulations for various contaminants.

When a new maximum contaminant level (MCL) for a drinking water contaminant is adopted by the California State Water Resources Control Board (SWRCB), water agencies are generally mandated to start compliance monitoring within six months of the MCL effective date or beginning in January of the calendar year following the MCL effective date, depending on the nature of the contaminant. The current regulations often do not provide water agencies impacted by a new unavoidable MCL sufficient time to

comply with the regulatory level, thereby placing agencies in a position of noncompliance and triggering a series of consequences to that agency.

It would be beneficial to California water agencies if the State Legislature or SWRCB adopted a fair and reasonable compliance period similar to that of the U.S. Environmental Protection Agency, which provides up to five years for compliance with a new MCL. Staff will continue to monitor and provide comments on new and revised drinking water regulations, including the newly adopted Hexavalent Chromium regulation and emerging regulations related to PFAS, arsenic, and manganese, among others.

5. Support federal legislation to remove the taxation requirement for conservation rebates issued by water districts.

Under federal law, the Internal Revenue Service (IRS) does not classify energy efficiency rebates as taxable income. However, the IRS does not classify water conservation rebates in the same manner. As such, the IRS requires that rebates issued by MSWD and other water agencies to customers for removal of turf, replacement of high-volume toilets, or other rebate programs are classified as income and subject to federal tax.

Completing tax forms and explaining the process to customers is lengthy and burdensome and provides a disincentive to customer participation in rebate programs. MSWD will support legislation that would amend the tax code to exempt water conservation rebates from customers' taxable income.

6. Continue to engage with the State Water Resources Control Board to influence how "Making Conservation a California Way of Life" policies are implemented.

In 2018, SB 606 (Hertzberg) and AB 1668 (Friedman) were signed into law by Governor Brown. The two laws require a step-down approach to water use throughout the state and across sectors, including residential and commercial outdoor and indoor uses.

In addition, the legislation included specific target dates for reducing water use. In 2022, Governor Newsom signed SB 1157 (Hertzberg) into law, further reducing indoor residential water use standards initially proposed in AB 1668. However, the SWRCB retains the flexibility to implement these laws.

In October 2023, the SWRCB released rulemaking and a framework for making Conservation a Way of Life and managing urban water use. While the SWRCB has stated that they do not want to unfairly burden disadvantaged communities, such as those served by MSWD, we believe the rulemaking unfairly impacts our residents. Therefore, MSWD will continue to engage in the rulemaking process initiated by the SWRCB and will remain focused on how the SWRCB moves to further regulate outdoor and indoor urban water use efficiency.

7. Strongly support a liability exemption for water and wastewater agencies regarding the designation of PFAS as a hazardous substance under CERCLA.

As per- and polyfluoroalkyl substances (PFAS) have gained national attention in the press and the health impacts associated with prolonged contact with subsets of these chemicals are highlighted. There are efforts at both the state and federal level to regulate the class of chemicals.

PFAS are currently used in firefighting foam, used in industrial processes, and in numerous consumer products treated to repel food, stains, and water. Problematic PFAS are best addressed by removing these chemicals from the supply chain of manufactured products, rather than imposing requirements or potential liability on water and wastewater agencies who do not create or use PFAS. MSWD will support legislative efforts to create an exemption for passive receivers, such as water and wastewater utilities. We will also support legislation that holds manufacturers and users accountable for cleanup efforts.

8. Continue to oppose a water "tax" or "fee" and monitor how state and/or federal governments will address water affordability through programs like LIHWAP or legislative actions.

MSWD supports water affordability programs; however, the District opposes a water tax or administratively burdensome affordability schemes or taxes to implement those programs. The State legislature has been targeting water affordability in the wake of the COVID-19 Pandemic. In 2022, SB 222 (Dodd) would have created a Low-Income Water Rate Assistance Fund. Governor Newsom vetoed this bill due to the current financial and economic outlook. Although good in concept, SB 222 would have created more administrative burdens for MSWD without identifying a recurring funding source for the program.

MSWD generally supports programs that supplement existing customer assistance programs to assist low-income customers who would leverage existing program processes, such as LIHWAP, to keep administrative costs low and avoid the need for individual water agencies to hire staff. Additionally, eligibility screening should be performed by a third-party administrator and not performed by individual water agencies, as MSWD does not collect personally identifiable information from customers. Finally, funding for these programs should come from a sustainable source without the possibility of creating a water tax or fee for MSWD ratepayers.

9. Seek external funding for new facilities or facilities improvements and infrastructure.

MSWD continues to provide reliable service in the areas of water and wastewater service. The District should maximize opportunities to leverage external funding whenever possible to reduce customer cost burdens associated with the required facilities. Aging and deficient infrastructure is an important issue that has been identified in numerous industry studies. MSWD will encourage lawmakers to make available grant and fund-matching opportunities promoting capital investment and infrastructure improvements to ensure reliable service.

10. Support and potentially sponsor efforts to streamline federal and state loan and grant processes and policies to reduce delays and remove barriers.

Like many communities, Desert Hot Springs and the surrounding areas face income inequality challenges with disadvantaged and underserved communities. Through the efforts of the District, millions of grant dollars have been allocated for system improvements, drought resiliency, and groundwater protection. MSWD will continue to advocate for funding at various levels of government for these communities.

MSWD will continue to identify and support opportunities, including supporting state legislation and bond measures, that will expedite and expand the deployment and execution funding programs to remove barriers for local partners and the communities they serve.

11. Seek external funding to implement Advanced Clean Fleet Regulations.

Advanced Clean Fleet Regulations require vehicle fleet owners and operators, including all public agencies, to begin purchasing zero-emission vehicles. However, a key issue is allowing flexibility in the purchase of replacements for traditional utility-specialized vehicles that are at the end of their life but are also vital to maintaining reliable service and responding to major foreseeable events. MSWD will continue to identify and support opportunities, including state legislation that will expedite and expand the deployment and execution of funding programs for special districts that serve disadvantaged communities as they navigate and implement the new regulation.

For more information regarding the District's Legislative platform, please contact the Public Affairs office at 760-329-6448 ext. 145 or email us at publicaffairs@mswd.org.