OVERSIGHT HEARING

SENATE NATURAL RESOURCES AND WATER COMMITTEE
ASSEMBLY WATER, PARKS AND WILDLIFE COMMITTEE

SENATOR FRAN PAVLEY AND ASSEMBLYMEMBER MARC LEVINE, CHAIRS

February 23, 2016
9:30 a.m., John L. Burton Hearing Room (4203)

Oversight Hearing on State Implementation of the Sustainable Groundwater Management Act

Background Brief

California has 515 groundwater basins and subbasins that provide about 40 percent of the state's water supply. Of these 515 basins, 127 have been designated by the Department of Water Resources (DWR) as high- or medium-priority basins. These 127 basins account for about 96 percent of the state's groundwater use and are overlain by about 88 percent of the population served by groundwater. Nonetheless, as important as groundwater is to California's water supply, prior to the passage in 2014 of the Sustainable Groundwater Management Act (SGMA), California lacked a comprehensive system for managing the state's groundwater resources.

Coming into 2014, a number of events and efforts converged that led to the enactment of SGMA.

- The drought, with wells going dry and subsiding lands causing significant damage to aqueducts and other critical infrastructure, showed the growing consequences of not managing groundwater sustainably.

- The Association of California Water Agencies (ACWA), California Water Foundation (CWF) and the administration all had developed their own proposals for addressing California's declining groundwater resources.

- Two legislators, Senator Fran Pavley and Assemblymember Roger Dickenson, introduced separate groundwater proposals, and then in collaboration with ACWA, CWF, and the administration, worked with a broad group of interested persons and organizations to craft a single comprehensive proposal.

Early into this collaborative process, a number of Tribes and tribal interests came to actively support the legislation.[*] Counties, through California State Association of Counties (CSAC), were often conflicted throughout the negotiation process, but ultimately moved to a neutral position. Agricultural interests, including the California Farm Bureau, continued to oppose to the end.

On September 16, 2014, Governor Brown signed the three bill package that established SGMA. In his signing statement, the Governor wrote "A central feature of these bills is the recognition that groundwater management in California is best accomplished locally. Local agencies will now have the power to assess the conditions of their local groundwater basins and take the necessary steps to bring those basins in a state of chronic long-term overdraft into balance."

"The State's primary role is to provide guidance and technical support on how to plan for a more sustainable future and to step in on an interim basis when, but only when, local agencies fail to exercise their responsibilities as set forth in this legislation."

In September 2015, Governor Brown signed SB 13 (Pavley). That bill makes various technical, clarifying changes to SGMA including requirements for groundwater sustainability agency formation, the process for State Water Resources Control Board (State Board) intervention if no responsible agency is specified for a basin, guidelines for high- and medium-priority basins, and participation of mutual water companies in a groundwater sustainability agency.

SGMA requires DWR and the State Board to take specific actions to implement SGMA. We are now into the 2nd year of implementing SGMA, and much has already occurred. The purpose of this hearing, then, is to:

1. Hear from DWR and the State Board regarding:
    - What they have done so far to implement SGMA?
    - What they are working on now?
    - What the reaction has been from the greater groundwater community?
    - What are the challenges going forward?

2. Hear from ACWA, CWF, Tribal interests, CSAC, and the Farm Bureau regarding:
    - Has implementation of SGMA so far met or exceeded their expectations?
    - What has and has not worked well so far?
    - What are the concerns going forward?

[*] Tribal interests in support of the bills included: Agua Caliente Band of Cahuilla Indians, Barona Band of Mission Indians, California Tribal Business Alliance, Habematolel Pomo of Upper Lake, Karuk Tribe, Pala Band of Mission Indians, Paskenta Band of Nomlaki Indians, Rincon Band of Luiseño Indians, Sacred Places Institute for Indigenous Peoples, and the Viejas Band of Kumeyaay Indians. See: SB 1168 (Pavley), Senate Floor Analysis, 8/29/14.

Purpose of this briefing paper is to provide context for the hearing. Specifically, it will:

- Summarize key provisions of SGMA
- Describe the timeline for implementation of SMGA

SGMA Principles

SGMA was developed around a set of specific principles. The principles were described in the uncodified findings and declarations of both AB 1739 (Dickinson) and SB 1168 (Pavley):

(a) The Legislature finds and declares as follows:

(1) The people of the state have a primary interest in the protection, management, and reasonable beneficial use of the water resources of the state, both surface and underground, and that the integrated management of the state's water resources is essential to meeting its water management goals.

(2) Groundwater provides a significant portion of California's water supply. Groundwater accounts for more than one-third of the water used by Californians in an average year and more than one-half of the water used by Californians in a drought year when other sources are unavailable.

(3) Excessive groundwater extraction can cause overdraft, failed wells, deteriorated water quality, environmental damage, and irreversible land subsidence that damages infrastructure and diminishes the capacity of aquifers to store water for the future.

(4) When properly managed, groundwater resources will help protect communities, farms, and the environment against prolonged dry periods and climate change, preserving water supplies for existing and potential beneficial use.

(5) Failure to manage groundwater to prevent long-term overdraft infringes on groundwater rights.

(6) Groundwater resources are most effectively managed at the local or regional level.

(7) Groundwater management will not be effective unless local actions to sustainably manage groundwater basins and subbasins are taken.

(8) Local and regional agencies need to have the necessary support and authority to manage groundwater sustainably.

(9) In those circumstances where a local groundwater management agency is not managing its groundwater sustainably, the state needs to protect the resource until it is determined that a local groundwater management agency can sustainably manage the groundwater basin or subbasin.

(10) Information on the amount of groundwater extraction, natural and artificial recharge, and groundwater evaluations are critical for effective management of groundwater.

(11) Sustainable groundwater management in California depends upon creating more opportunities for robust conjunctive management of surface water and groundwater resources.

Climate change will intensify the need to recalibrate and reconcile surface water and groundwater management strategies.

(b) It is, therefore, the intent of the Legislature to do all of the following:

(1) To provide local and regional agencies the authority to sustainably manage groundwater.

(2) To provide that if no local groundwater agency or agencies provide sustainable groundwater management for a groundwater basin or subbasin, the state has the authority to develop and implement an interim plan until the time the local groundwater sustainability agency or agencies can assume management of the basin or subbasin.

(3) To require the development and reporting of those data necessary to support sustainable groundwater management, including those data that help describe the basin's geology, the short- and long-term trends of the basin's water balance, and other measures of sustainability, and those data necessary to resolve disputes regarding sustainable yield, beneficial uses, and water rights.

(4) To respect overlying and other proprietary rights to groundwater.

(5) To recognize and preserve the authority of cities and counties to manage groundwater pursuant to their police powers.

SGMA Application

SGMA applies to all groundwater basins in the state. To the extent authorized under federal or tribal law, SGMA applies to an Indian tribe and to the federal government, including, but not limited to, the United States Department of Defense

All basins designated as high- or medium-priority basins by DWR in its Groundwater Bulletin 118, as it may be updated or revised on or before January 1, 2017, must comply with SGMA.

All basins designated as low- and very low priority basins by the department are encouraged and authorized to be managed under SGMA.

SGMA does not apply to specified adjudicated basins, provided that the watermaster or local agency that oversees the adjudication provides DWR with specific information, including a copy of the final judgement of the adjudication and annual data regarding groundwater use in that basin.

Key SGMA Definitions

SGMA defines a number of key terms, including:

"De minimis extractor" means a person who extracts, for domestic purposes, two acre-feet or less per year.

"Planning and implementation horizon" means a 50-year time period over which a groundwater sustainability agency determines that plans and measures will be implemented in a basin to ensure that the basin is operated within its sustainable yield.

"Sustainability goal" means the existence and implementation of one or more groundwater sustainability plans that achieve sustainable groundwater management by identifying and causing the implementation of measures targeted to ensure that the applicable basin is operated within its sustainable yield.

"Sustainable groundwater management" means the management and use of groundwater in a manner that can be maintained during the planning and implementation horizon without causing undesirable results.

"Sustainable yield" means the maximum quantity of water, calculated over a base period representative of long-term conditions in the basin and including any temporary surplus, - that can be withdrawn annually from a groundwater supply without causing an undesirable result.

"Undesirable result" means one or more of the following effects caused by groundwater conditions occurring throughout the basin:

- Chronic lowering of groundwater levels indicating a significant and unreasonable depletion of supply if continued over the planning and implementation horizon. Overdraft during a period of drought is not sufficient to establish a chronic lowering of groundwater levels if extractions and groundwater recharge are managed as necessary to ensure that reductions in groundwater levels or storage during a period of drought are offset by increases in groundwater levels or storage during other periods.
- Significant and unreasonable reduction of groundwater storage.
- Significant and unreasonable seawater intrusion.
- Significant and unreasonable degraded water quality, including the migration of contaminant plumes that impair water supplies.
- Significant and unreasonable land subsidence that substantially interferes with surface land uses.
- Depletions of interconnected surface water that have significant and unreasonable adverse impacts on beneficial uses of the surface water.

Basin Boundaries & Priorities

A basin's boundaries shall be as identified in DWR's Groundwater Bulletin 118, unless other basin boundaries are established under SGMA.

A local agency or an entity directed by the court in an adjudication action to file the request may request DWR to revise the boundaries of a basin, including the establishment of new subbasins. A request shall be supported by specific information.

By January 1, 2016, DWR is required to adopt regulations regarding the information required to revise basin boundaries, including the methodology and criteria to be used to evaluate the proposed revision. The methodology and criteria are to address issues such as how to assess the likelihood that the proposed basin can be sustainably managed, how to assess whether the proposed basin would limit the sustainable management of adjacent basins, and how to assess whether there is a history of sustainable management of groundwater levels in the proposed basin.

DWR is to categorize each basin as being one of the following priorities:

- High priority
- Medium priority
- Low priority
- Very low priority

DWR is to establish initial priorities as those under the California Statewide Groundwater Elevation Monitoring (CASGEM) program.

Establishing Groundwater Sustainability Agencies (GSAs)

Any local agency or combination of local agencies overlying a groundwater basin may decide to become a GSA for that basin. A combination of local agencies may form a groundwater sustainability agency by using a joint powers agreement, a memorandum of agreement or other legal agreement. A water corporation regulated by the Public Utilities Commission or a mutual water company may participate in a groundwater sustainability agency through a memorandum of agreement or other legal agreement.

A GSA must consider the interests of all beneficial uses and users of groundwater, as well as those responsible for implementing groundwater sustainability plans. These interests include, but are not limited to, all of the following:

- Holders of overlying groundwater rights, including both agricultural users and domestic well owners.
- Municipal well operators.
- Public water systems.
- Local land use planning agencies.
- Environmental users of groundwater.

- Surface water users, if there is a hydrologic connection between surface and groundwater bodies.
- The federal government, including, but not limited to, the military and managers of federal lands.
- California Native American tribes.
- Disadvantaged communities, including, but not limited to, those served by private domestic wells or small community water systems.
- Entities that are monitoring and reporting groundwater elevations under CASGEM in all or a part of a groundwater basin managed by the GSA.

In the event that there is an area within a high- or medium-priority basin that is not within the management area of a GSA, the county within which that unmanaged area lies will be presumed to be the GSA for that area. Such a county is required to notify DWR whether it will be the GSA of the unmanaged area or if it will decline to be the GSA.

Powers and Authorities

A GSA may exercise any of the powers granted by SGMA in addition to, and not as a limitation on, any existing authority, if the GSA adopts and submits to DWR a groundwater sustainability plan or an alternative plan. GSAs have and may use the powers in SGMA to provide the maximum degree of local control and flexibility consistent with SGMA's sustainability goals.

Specifically, GSAs are granted powers and authorities to:

- Adopt rules, regulations, ordinances, and resolutions for the purpose of implementing SGMA.
- Require registration of a groundwater extraction facility within the management area of the GSA.
- Require that the use of every groundwater extraction facility within the management area of the groundwater sustainability agency be measured by a water-measuring device satisfactory to the GSA.
- Require that the owner or operator of a groundwater extraction facility within the GSA file an annual statement with the groundwater sustainability agency setting forth the total extraction in acre-feet of groundwater from the facility during the previous water year.
- Require entities within the area of a groundwater sustainability plan to report the diversion of surface water to underground storage to the groundwater sustainability agency for the relevant portion of the basin.
- Appropriate and acquire surface water or groundwater and surface water or groundwater rights, import surface water or groundwater into the agency, and conserve and store within or outside the agency that water for any purpose necessary or proper to carry out

the provisions of this part, including, but not limited to, the spreading, storing, retaining, or percolating into the soil of the waters for subsequent use or in a manner consistent with a groundwater sustainability plan.

- Provide for a program of voluntary fallowing of agricultural lands or validate an existing program.
- Transport, reclaim, purify, desalinate, treat, or otherwise manage and control polluted water, wastewater, or other waters for subsequent use in a manner that is necessary or proper to carry out the purposes of this part.
- Impose spacing requirements on new groundwater well construction to minimize well interference and impose reasonable operating regulations on existing groundwater wells to minimize well interference, including requiring extractors to operate on a rotation basis.
- Control groundwater extractions by regulating, limiting, or suspending extractions from individual groundwater wells or extractions from groundwater wells in the aggregate, construction of new groundwater wells, enlargement of existing groundwater wells, or reactivation of abandoned groundwater wells, or otherwise establishing groundwater extraction allocations.
- Authorize temporary and permanent transfers of groundwater extraction allocations within the agency's boundaries, if the total quantity of groundwater extracted in any water year is consistent with the provisions of the groundwater sustainability plan. The transfer is subject to applicable city and county ordinances.
- To establish accounting rules to allow unused groundwater extraction allocations issued by the agency to be carried over from one year to another and voluntarily transferred, if the total quantity of groundwater extracted in any five-year period is consistent with the provisions of the groundwater sustainability plan.

SGMA does not authorize a GSA to issue permits for the construction, modification, or abandonment of groundwater wells, except as authorized by a county with authority to issue those permits.

Groundwater Sustainability Plans

SGMA requires a groundwater sustainability plan to be developed and implemented for each medium- or high-priority basin by a GSA to meet the sustainability goal. A groundwater sustainability plan may be any of the following:

- A single plan covering the entire basin developed and implemented by one GSA.
- A single plan covering the entire basin developed and implemented by multiple GSAs.
- Multiple plans implemented by multiple GSAs and coordinated pursuant to a single coordination agreement that covers the entire basin.

Groundwater sustainability plans are required to include information such as:

- A description of the physical setting and characteristics of the aquifer system underlying the basin.
- Measurable objectives, as well as interim milestones in increments of five years, to achieve the sustainability goal in the basin within 20 years of the implementation of the plan.
- Components relating to the monitoring and management of groundwater levels, groundwater quality, groundwater quality degradation, inelastic land surface subsidence, and changes in surface flow and surface water quality that directly affect groundwater levels or quality or are caused by groundwater extraction in the basin.
- A description of surface water supply used or available for use for groundwater recharge or in-lieu use.
- A summary of the type of monitoring sites, type of measurements, and the frequency of monitoring for each location monitoring groundwater levels, groundwater quality, subsidence, streamflow, precipitation, evaporation, and tidal influence.
- Monitoring protocols that are designed to detect changes in groundwater levels, groundwater quality, inelastic surface subsidence for basins for which subsidence has been identified as a potential problem, and flow and quality of surface water that directly affect groundwater levels or quality or are caused by groundwater extraction in the basin.
- A description of the consideration given to the applicable county and city general plans and a description of the various adopted water resources-related plans and programs within the basin and an assessment of how the groundwater sustainability plan may affect those plans.

In addition, where appropriate and in collaboration with the appropriate local agencies a groundwater sustainability plan shall include provisions regarding:

- Control of saline water intrusion.
- Wellhead protection areas and recharge areas.
- Migration of contaminated groundwater.
- A well abandonment and well destruction program.
- Replenishment of groundwater extractions.
- Activities implementing, opportunities for, and removing impediments to, conjunctive use or underground storage.
- Well construction policies.
- Measures addressing groundwater contamination cleanup, groundwater recharge, in-lieu use, diversions to storage, conservation, water recycling, conveyance, and extraction projects.

- Efficient water management practices, as defined in Section 10902, for the delivery of water and water conservation methods to improve the efficiency of water use.
- Efforts to develop relationships with state and federal regulatory agencies.
- Processes to review land use plans and efforts to coordinate with land use planning agencies to assess activities that potentially create risks to groundwater quality or quantity.
- Impacts on groundwater dependent ecosystems.

GSAs intending to develop and implement multiple groundwater sustainability plans shall coordinate with other agencies preparing a groundwater sustainability plan within the basin to ensure that the plans utilize the same data and methodologies for the following assumptions in developing the plan:

- Groundwater elevation data.
- Groundwater extraction data.
- Surface water supply.
- Total water use.
- Change in groundwater storage.
- Water budget.
- Sustainable yield.

On the April 1 following the adoption of a groundwater sustainability plan and annually thereafter, a GSA shall submit a report to DWR containing the following information about the basin managed in the groundwater sustainability plan:

- Groundwater elevation data.
- Annual aggregated data identifying groundwater extraction for the preceding water year.
- Surface water supply used for, or available for use for, groundwater recharge or in-lieu use.
- Total water use.
- Change in groundwater storage.

Technical Assistance

DWR or a GSA may provide technical assistance to entities that extract or use groundwater to promote water conservation and protect groundwater resources. Additionally, DWR may provide technical assistance to any groundwater sustainability agency in response to that agency's request for assistance in the development and implementation of a groundwater sustainability plan.

To aid GSAs in their development of groundwater sustainability plans, DWR is required to prepare and publish a report by December 31, 2016, that presents DWR's best estimate, based on available information, of water available for replenishment of groundwater in the state. Additionally, by January 1, 2017, the DWR shall publish best management practices for the sustainable management of groundwater.

Financial Authority

A GSA may impose fees, including, but not limited to, permit fees and fees on groundwater extraction or other regulated activity, to fund the costs of a groundwater sustainability program, including, but not limited to, preparation, adoption, and amendment of a groundwater sustainability plan, and investigations, inspections, compliance assistance, enforcement, and program administration, including a prudent reserve. A GSA may not impose a fee on a de minimis extractor unless the agency has regulated the users pursuant to this part.

A GSA that adopts a groundwater sustainability plan pursuant to this part may impose fees on the extraction of groundwater from the basin to fund costs of groundwater management, including, but not limited to, the costs of the following:

- Administration, operation, and maintenance, including a prudent reserve.
- Acquisition of lands or other property, facilities, and services.
- Supply, production, treatment, or distribution of water.
- Other activities necessary or convenient to implement the plan.

Groundwater Sustainability Agency Enforcement Powers

A person who extracts groundwater in excess of the amount that person is authorized to extract under a rule, regulation, ordinance, or resolution adopted by the GSA is to be subject to a civil penalty not to exceed five hundred dollars ($500) per acre-foot extracted in excess of the amount that person is authorized to extract. A person who violates any rule, regulation, ordinance, or resolution adopted by a GSA is also to be liable for a civil penalty not to exceed one thousand dollars ($1,000) plus one hundred dollars ($100) for each additional day on which the violation continues if the person fails to comply within 30 days after the local agency has notified the person of the violation.

A GSA may bring an action in the superior court to determine whether a violation occurred and to impose a civil penalty. A GSA may administratively impose a civil penalty after providing notice and an opportunity for a hearing.

In determining the amount of the penalty, the superior court or the GSA shall take into consideration all relevant circumstances, including, but not limited to, the nature and persistence of the violation, the extent of the harm caused by the violation, the length of time over which the violation occurs, and any corrective action taken by the violator.

If a GSA finds that a state entity is not working cooperatively regarding implementation of a groundwater sustainability plan, the GSA may file notice with the State Board regarding its finding. The State Board shall notice proceedings to investigate the finding of the groundwater sustainability agency. If the State Board determines that the failure of the state entity to work cooperatively regarding implementation of a groundwater sustainability plan compromises the ability of the groundwater sustainability agency to implement the plan in a manner that will likely achieve the sustainability goal, the State Board may direct the state entity to cooperate in the implementation of the groundwater sustainability plan unless the state entity indicates in writing its authority for not complying with a groundwater sustainability plan.

State Evaluation and Assessment

SGMA requires DWR, by June 1, 2016, to adopt regulations for evaluating groundwater sustainability plans, the implementation of groundwater sustainability plans, and coordination agreements.

The regulations are required to identify appropriate methodologies and assumptions for baseline conditions concerning hydrology, water demand, regulatory restrictions that affect the availability of surface water, and unreliability of, or reductions in, surface water deliveries to the agency or water users in the basin, and the impact of those conditions on achieving sustainability. The baseline for measuring unreliability and reductions shall include the historic average reliability and deliveries of surface water to the agency or water users in the basin.

Upon adoption of a groundwater sustainability plan, a GSA is required to submit the groundwater sustainability plan to DWR for review pursuant to this chapter.

If GSAs develop multiple groundwater sustainability plans for a basin, the submission shall not occur until the entire basin is covered by groundwater sustainability plans. When the entire basin is covered by groundwater sustainability plans, the groundwater sustainability agencies shall jointly submit to DWR all of the following:

- The groundwater sustainability plans.
- An explanation of how the groundwater sustainability plans implemented together satisfy the requirements for having multiple groundwater sustainability plans for the entire basin.

- A copy of the coordination agreement between the groundwater sustainability agencies to ensure the coordinated implementation of the groundwater sustainability plans for the entire basin.

If a local agency believes that an alternative plan satisfies the objectives of SGMA, the local agency may submit the alternative to DWR for evaluation and assessment of whether the alternative satisfies the objectives of this part for the basin. SGMA requires DWR, by June 1, 2016, to adopt regulations for evaluating such alternative plans.

An alternative plan is any of the following:

- A groundwater management plan, also known as an AB 3030 plan, developed pursuant to Part 2.75 (commencing with Section 10750) or other law authorizing groundwater management.
- Management pursuant to an adjudication action.
- An analysis of basin conditions that demonstrates that the basin has operated within its sustainable yield over a period of at least 10 years. The submission of an alternative described by this paragraph shall include a report prepared by a registered professional engineer or geologist who is licensed by the state and submitted under that engineer's or geologist's seal.

SGMA requires a local agency to submit an alternative plan no later than January 1, 2017, and every five years thereafter.

SGMA requires DWR to evaluate groundwater sustainability plans within two years of its submission by a groundwater sustainability agency and issue an assessment of the plan. The assessment may include recommended corrective actions to address any deficiencies identified by DWR.

At least every five years after initial submission of a plan to DWR, the DWR is required to review any available groundwater sustainability plan or alternative and the implementation of the corresponding groundwater sustainability program for consistency with SGMA, including achieving the sustainability goal. SGMA requires DWR to issue an assessment for each basin for which a plan or alternative has been submitted in accordance with this chapter, with an emphasis on assessing progress in achieving the sustainability goal within the basin. The assessment may include recommended corrective actions to address any deficiencies identified by DWR.

State Intervention: Grounds for Probation

The State Board, after notice and a public hearing, may designate a high- or medium-priority basin as a probationary basin, if the State Board finds one or more of the following applies to the basin:

After June 30, 2017, none of the following have occurred:

- A local agency has decided to become a GSA that intends to develop a groundwater sustainability plan for the entire basin.
- A collection of local agencies has formed a GSA or prepared agreements to develop one or more groundwater sustainability plans that will collectively serve as a groundwater sustainability plan for the entire basin.
- A local agency has submitted an alternative plan that has been approved or is pending approval by DWR. If DWR disapproves an alternative plan, the State Board shall not act under this paragraph until at least 180 days after the department disapproved the alternative.

The basin is a high- or medium-priority basin that DWR has deemed subject to critical conditions of overdraft, and after January 31, 2020, none of the following have occurred:

- A GSA has adopted a groundwater sustainability plan for the entire basin.
- A collection of local agencies has adopted groundwater sustainability plans that collectively serve as a groundwater sustainability plan for the entire basin.
- DWR has approved an alternative plan.

The basin is a high- or medium-priority basin that DWR has deemed subject to critical conditions of overdraft, and after January 31, 2020, DWR, in consultation with the State Board, determines that a groundwater sustainability plan is inadequate or that the groundwater sustainability program is not being implemented in a manner that will likely achieve the sustainability goal.

The basin is a high- or medium-priority basin that DWR has not deemed subject to critical conditions of overdraft, and after January 31, 2022, none of the following have occurred:

- A GSA has adopted a groundwater sustainability plan for the entire basin.
- A collection of local agencies has adopted groundwater sustainability plans that collectively serve as a groundwater sustainability plan for the entire basin.
- DWR has approved an alternative plan

The basin is a high- or medium-priority basin that DWR has not deemed subject to critical conditions of overdraft, and either of the following have occurred:

- After January 31, 2022, DWR, in consultation with the State Board, determines that a groundwater sustainability plan is inadequate or that the groundwater sustainability plan is not being implemented in a manner that will likely achieve the sustainability goal AND the State Board determines that the basin is in a condition of long-term overdraft.

- After January 31, 2025, DWR, in consultation with the State Board, determines that a groundwater sustainability plan is inadequate or that the groundwater sustainability plan is not being implemented in a manner that will likely achieve the sustainability goal AND the State Board determines that the basin is in a condition where groundwater extractions result in significant depletions of interconnected surface waters.

If the State Board finds that litigation challenging the formation of a groundwater sustainability agency prevented its formation before July 1, 2017, or prevented a groundwater sustainability program from being implemented in a manner likely to achieve the sustainability goal pursuant, the State Board shall not designate a basin as a probationary basin for a period of time equal to the delay caused by the litigation.

The State Board shall exclude from probationary status any portion of a basin for which a groundwater sustainability agency demonstrates compliance with the sustainability goal.

State Intervention: Remedies and Consequences

If the State Board designates a basin as a probationary basin because either it has not formed a GSA or because the GSA did not adopt a groundwater sustainability plan or alternative plan in a timely manner, a local agency or GSA has 180 days to remedy the deficiency. The State Board may appoint a mediator or other facilitator, after consultation with affected local agencies, to assist in resolving disputes, and identifying and implementing actions that will remedy the deficiency.

After the 180-day period, the State Board may provide additional time to remedy the deficiency if it finds that a local agency is making substantial progress toward remedying the deficiency.

The State Board may develop an interim plan if the State Board, in consultation with the DWR, determines that a local agency has not remedied the deficiency that resulted in designating the basin as a probationary basin.

If the State Board designates a basin as a probationary basin because the groundwater sustainability plan is inadequate or not being implemented in a manner that will likely achieve the sustainability goal, the State Board shall identify the specific deficiencies and identify potential actions to address the deficiencies.

The State Board may request DWR to provide local agencies, within 90 days of the designation of a probationary basin, with technical recommendations to remedy the deficiencies.

The State Board may develop an interim plan one year after the designation of the basin if the State Board, in consultation with the department, determines that a local agency has not remedied the deficiency that resulted in designating the basin a probationary basin.

The State Board, after notice and a public hearing, may adopt an interim plan for a probationary basin.

The interim plan shall include all of the following:

- Identification of the actions that are necessary to correct a condition of long-term overdraft or a condition where groundwater extractions result in significant depletions of interconnected surface waters, including recommendations for appropriate action by any person.
- A time schedule for the actions to be taken.
- A description of the monitoring to be undertaken to determine effectiveness of the plan.

The interim plan may include the following:

- Restrictions on groundwater extraction.
- A physical solution.
- Principles and guidelines for the administration of rights to surface waters that are connected to the basin.

SGMA requires the State Board to include in its interim plan a groundwater sustainability plan, or any element of a plan, that the State Board finds complies with the sustainability goal for that portion of the basin or would help meet the sustainability goal for the basin. Where, in the judgment of the State Board, an adjudication action can be relied on as part of the interim plan, either throughout the basin or in an area within the basin, the State Board may rely on, or incorporate elements of, that adjudication into the interim plan adopted by the State Board.

SGMA bars the State Board from establishing an interim plan to remedy a condition where the groundwater extractions result in significant depletions of interconnected surface waters before January 1, 2025.

Key Dates

The following chart summarizes some key dates for implementing SGMA

Sustainable Groundwater Management Act Key Dates

2015	**January 1**	• Sustainable Groundwater Management Act in effect • Local Agencies may no longer adopt or update ground management plans (a.k.a. AB 3030 plans) for high and medium priority basins (WC §10750.1)
	January 31	• DWR updates basin priorities (WC §10722.4)
	November 16	• DWR regulations for modifying basin boundaries in effect (WC §10722.2 statutorily due by 1/1/16)
2016	**January 21**	• DWR identified critically overdrafted basins
		TODAY
	March 31	• Last day to submit basin boundary modification requests within the initial submission period (CCR§ 343.8)
	April 1	• Adjudicated basins submit final judgment to DWR and begin submitting annual reports to DWR (WC §10720.8)
	June 1	• DWR adopts regulations regarding evaluating Groundwater Sustainability Plans (WC §10733.2
	December 31	• DWR publishes estimates of water available for groundwater replenishment (WC §10729)
2017	**January 1**	• DWR publishes Update of California's Groundwater (aka Bulletin 118), including updated basin boundaries and basins subject to critical overdraft (WC §12924) • Last day to submit alternative plan to groundwater sustainably plan to DWR • DWR publishes Best Management Practices (BMPs) for the sustainable management of groundwater (WC §10729)
	July 1	• Establish GSAs (or equivalent) for all high and medium priority basins. (WC §10735.2) • State Board may begin process to designate a basin as "probationary" if a GSA or approved alternative is not established (WC §10735.2) • Counties must affirm or disaffirm responsibility as GSA if no GSA has been established. (WC §10724) • Persons in probationary basins or basins without a GSA subject annual reporting of groundwater extractions to SWRCB (WC §5202
2020	**January 31**	• High- and medium-priority basins designated by DWR as subject to critical conditions of overdraft are to be managed under a groundwater sustainability plan. (WC §10720.7)
2022	**January 31**	• All other high- and medium-priority basins are to be managed under a groundwater sustainability plan. (WC §10720.7)
2040/ 2042	**January 31**	• All high and medium priority basins achieve groundwater sustainability (twenty years after plan is adopted)