

Date of Hearing: April 30, 2025

ASSEMBLY COMMITTEE ON LOCAL GOVERNMENT

Juan Carrillo, Chair

AB 1044 (Macedo) – As Introduced February 20, 2025

**SUBJECT:** Tulare Basin Groundwater Sustainability Agency Act.

**SUMMARY:** Establishes the Tulare Basin Groundwater Sustainability Agency (TBGSA) Act, creating a groundwater management agency in Tulare County. Specifically, **this bill:**

- 1) Provides that this bill shall be known and may be cited as the TBGSA Act and creates, in Tulare County, the TBGSA.
- 2) Requires the TBGSA to be governed by a board and shall have specified boundaries. The TBGSA shall only exercise the powers granted by this bill and the Sustainable Groundwater Management Act (SGMA) for purposes of groundwater management within the boundaries of the TBGSA, together with any other powers as are reasonably implied, necessary, and proper to carry out the objectives and purposes of the agency to implement SGMA. The TBGSA shall abide by the rules and regulations promulgated by the Department of Water Resources (DWR) and the State Water Resources Control Board (Water Board) to implement SGMA.
- 3) Specifies that the initial boundaries of the TBGSA shall include the following:
  - a) All land located within the boundaries of the Hope Water District (HWD) and the Ducor Water District (DWD) located in Tulare County.
  - b) All land in a yet to be determined location within Tulare County.
- 4) Authorizes the initial boundaries to be changed upon action by the TBGSA's board of directors after a noticed public hearing with 14 calendar days' notice. The boundaries shall be depicted on a map that shall be maintained by the board of directors of the TBGSA.
- 5) Requires the boundaries of the TBGSA to not be adjusted to include an area of the basin within the management area of another groundwater sustainability agency (GSA) unless the TBGSA has entered into a memorandum of agreement or other legal agreement with the GSA that permits the area to be included.
- 6) Specifies that the boundaries of the TBGSA shall not be adjusted to include any part of a proposed management area, as defined in a specified notice of intent submitted pursuant to existing law, unless the TBGSA has entered into a memorandum of agreement or other legal agreement with all agencies listed in the notice of intent that permits the area to be included.
- 7) Defines numerous terms to support its purposes.
- 8) Requires the TBGSA to be governed by a board of directors that shall consist of five members, as follows:
  - a) One member shall be chosen by the HWD from the members of the board of directors of the HWD.

- b) One member shall be chosen by the DWD from the members of the board of directors of the DWD.
  - c) One member shall be chosen by Tulare County.
  - d) Two members shall be chosen by the other three board members to represent groundwater-dependent agricultural interests within the territory of the TBGSA. These members shall be actively engaged in the production of agriculture within the territory of the TBGSA. These members shall be selected from a list of nominations submitted by the Tulare County Farm Bureau, but the nominees need not be members of the farm bureau.
- 9) Specifies that the board members from the HWD, the DWD, and Tulare County shall be chosen by their respective governing boards from their board members whose districts overlie, at least in part, the territory of the TBGSA.
- 10) Requires an alternate for each board member, chosen in the same manner and by the same entity as the board member. The alternate member shall act in place of the board member they are an alternate for in case of that board member's absence or inability to act.
- 11) Provides that members and their alternates shall be chosen on or before November 30, 2026.
- 12) Specifies that the HWD, DWD, and Tulare County members shall serve for a four-year term of office, or until the member is no longer an eligible official of the member agency. These members may serve for more than one term of office.
- 13) Provides that the members that are selected from a list provided by the Tulare Farm Bureau shall serve four-year terms in office.
- 14) Specifies that the board may adopt an ordinance to provide compensation to members of the board in an amount not to exceed \$100 per day for each day's attendance at meetings of the board or for each day's service rendered as a member of the board by request of the board. The determination of whether a board member's activities on any specific day are compensable shall be made pursuant to existing law.
- 15) Authorizes reimbursement for expenses of members of the board, as specified.
- 16) Provides that the board may adopt an ordinance to increase the compensation received by the members of the board above the amount of \$100 per day. The increase shall not exceed an amount equal to 5%, for each calendar year following the operative date of the last adjustment, of the compensation that is received when the ordinance is adopted.
- 17) Specifies that a member shall not be compensated for more than a total of 10 days in any calendar month.
- 18) Authorizes the board to adopt resolutions, policies, rules, and regulations for the purpose of regulating, conserving, managing, and controlling the use and extraction of groundwater within the territory of the TBGSA.
- 19) Specifies that all resolutions, policies, rules, and regulations shall be adopted at a public meeting and require a majority vote of the board.

- 20) Provides that no provision of this bill shall be construed as denying to Tulare County, the HWD, or the DWD, or any other member agency any rights or powers that they already have or that they may be granted.
- 21) Authorizes the TBGSA to contract with Tulare County for staff and other services. The TBGSA may hire contractors, consultants, and legal counsel as it considers appropriate.
- 22) Requires the TBGSA to enter into a coordination agreement with the other local agencies for purposes of coordinating the TBGSA's plan with other agencies or groundwater sustainability plans (GSPs) within the Tule Subbasin as required by SGMA.
- 23) Specifies that the TBGSA may exclude from any of the requirements of this bill, or the operation of any resolution, policy, rule, or regulation, any operator who annually extracts less than a minimum amount of groundwater as specified by a resolution adopted by the board.
- 24) Authorizes the TBGSA to collect data and conduct technical and other investigations of all kinds in order to carry out the provisions of this bill. All hydrological investigations and studies carried out by or on behalf of the agency shall be constructed by or under the supervision of licensed engineers or other persons qualified in groundwater geology or hydrology.
- 25) Allows the TBGSA to recommend and encourage water recycling and other water development projects, where those projects will enhance and contribute to the responsible management of groundwater resources, as part of its annual plan for implementation of groundwater management objectives.
- 26) Requires the TBGSA to develop and implement a GSP pursuant to existing law to achieve sustainable groundwater management within the territory of the TBGSA.
- 27) Specifies that the TBGSA shall elect to be a GSA pursuant to existing law for that portion of the Tule Subbasin that lies within the boundaries of the TBGSA.
- 28) Provides the TBGSA may exercise any of the powers and authorities granted to GSAs by SGMA.
- 29) Provides that the availability of supplemental water to any operator shall not subject that operator to regulations by the TBGSA that are more restrictive than those imposed on other operators.
- 30) Authorizes the TBGSA to 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, that include, but are not limited to, the preparation, adoption, and amendment of a GSP, investigations, inspections, compliance assistance, enforcement, and program administration, including a prudent reserve.
- 31) Specifies that, in the event of any conflict between this bill and the provisions of SGMA, the provisions of SGMA shall prevail.

- 32) Adds the TBGSA to the list of agencies created by statute to manage groundwater and deems it the exclusive local agency within its boundaries with powers to comply with SGMA.
- 33) Provides that no reimbursement is required by this bill because a local agency or school district has the authority to levy service charges, fees, or assessment sufficient to pay for the program or level of service mandated by this bill.

**EXISTING LAW:**

- 1) Requires, under SGMA, local agencies to sustainably manage groundwater in critically over-drafted basins by 2040 and in high- or medium-priority basins by 2042. Defines sustainable management of groundwater as the avoidance of the following six “undesirable results:” (a) chronic lowering of groundwater levels; (b) reduction of groundwater storage; (c) seawater intrusion; (d) degraded water quality; (e) land subsidence; and (f) depletions of interconnected surface water (Water Code § 10720 *et seq.*).
- 2) Requires local agencies in high- and medium-priority basins to form a groundwater sustainability agency (GSA) by June 30, 2017, unless statute designates an “exclusive local agency” for a given area. Provides that a county will be the default GSA for any area in a high- or medium- priority basin not managed by a GSA unless said county notifies the DWR that it will not be the GSA for an uncovered portion of a high- or medium-priority basin (Water Code §§ 10723 – 10724).
- 3) Provides that a GSA may be formed by a combination of local agencies via a joint powers agreement or memorandum of agreement or other legal agreement (Water Code § 10723.4).
- 4) Provides that a GSP may be a single plan covering a basin implemented by a single GSA, a single plan covering a basin implemented by multiple GSAs, or multiple plans implemented by several GSA subject to a coordination agreement (Water Code § 10727).
- 5) Requires GSAs intending to develop and implement multiple GSAs in a basin to coordinate with each other and ensure the GSPs utilize the same data and methodologies for the following assumptions: (a) groundwater elevation data; (b) groundwater extraction data; (c) surface water supply; (d) total water use; (e) change in groundwater storage; (f) water budget; and (g) sustainable yield (Water Code § 10727.6).
- 6) Designates 17 local agencies as the “exclusive local agencies” within their service territory that are responsible for complying with SGMA. Examples include Desert Water Agency, Fox Canyon Groundwater Management Agency, Orange County Water District, and Pajaro Valley Water Management Agency [Water Code § 10723(c)].

**FISCAL EFFECT:** This bill is keyed fiscal and contains a state-mandated local program.

**COMMENTS:**

- 1) **Bill Summary and Author’s Statement.** This bill creates the TBGSA and provides for the governance structure, boundaries, sustainable groundwater management powers, and fee authority of the TBGSA. This bill also adds the TBGSA to the list of agencies created by statute to manage groundwater and deems it the exclusive local agency within its boundaries with powers to comply with SGMA. Tulare County is the sponsor of this bill.

According to the author, “Water is life, and Tulare County has been deeply impacted by the Sustainable Groundwater Management Act. Assembly Bill 1044 restores stability to the community by creating a dedicated Groundwater Sustainability Agency, empowering the County to protect its water resources, support its agricultural economy, and secure a sustainable future for its residents.”

- 2) **Sustainable Groundwater Management Act (SGMA).** Groundwater is water found beneath the land surface in pores and fractures in materials such as rock, gravel, or sand. Underground areas where groundwater flows naturally out of rock materials or where groundwater can be removed by pumping are referred to as aquifers. According to the DWR, groundwater provides nearly 40% of California’s water supply in an average year and 60% in drought years.

For much of California’s history, there was no statewide mandate for the management of groundwater. This led to significant over-pumping (or “overdraft”) of groundwater in many regions of the state that resulted in land subsidence (or sinking) that compromised infrastructure, dewatered rivers and streams, led to seawater intrusion in coastal areas, and dried out domestic and agricultural groundwater wells, among other adverse impacts.

In the midst of the 2012-16 drought, California’s most severe on record, the Legislature passed SGMA to reverse the adverse impacts caused by groundwater overdraft and to protect this important resource for future use by California’s economy, communities, and ecosystems. Passed in 2014, SGMA is composed of a three-bill legislative package, including AB 1749 (Dickinson), SB 1168 (Pavley), and SB 1319 (Pavley), and subsequent statewide regulations.

SB 1168 (Pavley) required DWR to categorize each basin as “high”, “medium”, “low”, or “very low” priority based on specified criteria including population, rate of population growth, and number of wells (see Water Code Section 10933 for full list). Out of the 515 groundwater basins identified by DWR ([https://data.cnra.ca.gov/dataset/calgw\\_update2020](https://data.cnra.ca.gov/dataset/calgw_update2020)), 94 basins were classified as “high” (46 basins) or “medium” (48 basins) priority. These basins must comply with SGMA. DWR also identified 21 basins as “critically overdrafted”, noting that “continuing current water management practices would likely result in significant adverse environmental, social, or economic impacts”.

- 3) **Tule Subbasin.** Located in California’s Central Valley in the southern portion of the San Joaquin Valley, the Tule Subbasin covers approximately 475,895 acres, or about 744 square miles. DWR designates the subbasin as “high” priority and subject to conditions of critical overdraft. Communities within the subbasin include the Cities of Porterville, Allensworth, Alpaugh, Ducor, Earlimart, East Porterville, Pixley, Poplar-Cotton Center, Richgrove, Terra Bella, Teviston, Tipton, and Woodville. According to the 2022 Census data, the Tule Subbasin has an estimated population of 152,577 people. Most of the land within the subbasin and surrounding areas is used for growing crops and raising livestock. Groundwater in the subbasin is used for drinking water, agriculture, wildlife habitat, and oil and gas extraction.
- 4) **GSAs for the Tule Subbasin.** As recently as 2023, there were seven GSAs responsible for managing groundwater in the subbasin: Pixley Irrigation District GSA, Tri-County Water Authority GSA, Alpaugh GSA, Delano-Earlimart Irrigation District GSA, Eastern Tule GSA,

Tulare County GSA, and the Lower Tule River Irrigation District GSA. Today there are 12 GSAs managing portions of the Tule subbasin. The increase in GSAs is a result of the breakup of the Eastern Tule GSA.

- 5) **Eastern Tule GSA.** Formed in 2016, the Eastern Tule GSA is a joint powers authority that took on responsibility for managing groundwater in the eastern portion of the subbasin. This GSA initially had eight members: the County of Tulare, City of Porterville, Saucelito Irrigation District, Teapot Dome Water District, Vandalia Water District, Terra Bella Irrigation District, Kern-Tulare Water District, and Porterville Irrigation District. For various reasons, all of the original members of the GSA, except Tulare County, have since split off to form new GSAs.
- 6) **Probationary Status for Tule Subbasin.** The Water Board designated the Tule subbasin as a “probationary” basin in September 2024 due to significant deficiencies in several of the GSPs for the subbasin and the adverse impacts that land subsidence resulting from over-pumping of groundwater is having on the Friant-Kern canal. Due to this designation, the basin is subject to “state intervention” under which the Water Board will work with GSAs to develop an interim plan that will get the subbasin back on track to achieve sustainable groundwater management. Delano-Earlimart Irrigation District GSA and Kern-Tulare Water District were partially excluded from the Water Board’s probationary designation and pumpers within the jurisdiction of these agencies will not be subject to reporting requirements and fees imposed by the Water Board. These two agencies will retain this status so long as they comply with specified management actions. Some of the agencies that have split off from the Eastern Tulare GSA appear to think that they may obtain a limited exemption from the Water Board’s probationary designation as well.
- 7) **Hope and Ducor Water Districts.** Based on information available on the Water Board’s website, HWD has seven connections and primarily serves an elementary school. DWD is a community services district serving 176 connections in rural towns. Both districts are dependent on groundwater and located south of the city of Porterville in eastern Tulare County.
- 8) **Arguments in Support.** According to Tulare County, “Forming a new GSA through AB 1044 will provide ongoing GSA coverage for the lands previously governed by the Eastern Tule GSA. The new formation will allow the Tule Subbasin to work on satisfying the State Water Resources Control Board and get the subbasin out of probationary status.

“Following the adoption of the Sustainable Groundwater Management Act (SGMA), the County was a founding member of the Eastern Tule GSA. The County’s participation was to cover the undistracted ‘white areas’ in the Tule Subbasin. The GSA was formed via a Joint Powers Agreement (JPA) with other public agencies. The Eastern Tule GSA is one of several GSAs in the Tule Subbasin.

“In September 2024, the Tule Subbasin was placed on probation by the State Water Resources Control Board. At the Probationary hearing, the State Water Resources Control Board chose to provide a ‘Good Actor’ exemption to two GSAs in the Tule Subbasin. This decision prompted other public agencies in the Tule Subbasin to take action to become standalone GSAs. This resulted in the County being the lone member of the original JPA. The County does not have the resources to run a GSA and looked to the Kings River Model (SB 37, 2016) to form a new GSA to cover the remaining area.

- 9) **Arguments in Opposition.** According to the Community Water Center, Clean Water Action, and the Leadership Counsel for Justice and Accountability, “On September 17, 2024, the Tule Subbasin, was put on probation as the Department of Water Resources and State Water Resources Control Board (State Water Board) deemed the Groundwater sustainability plans for the subbasin inadequate. The probationary process overseen by the State Water Board gives GSAs a probationary period of at least a year to address the identified deficiencies. If the inadequacies are not addressed within the given probationary period, the State Water Board will step in to assume management of the basin, as well as introduce an interim plan. Even before the Subbasin was put on probation, the Subbasin has experienced extensive fragmentation, to the point where 12 GSAs currently exist in the basin. It is unclear how forming yet another GSA will alleviate the breakdown of governance in the basin.

“Indeed, establishing a new GSA will only delay the Tule Subbasin’s progress toward sustainability, requiring this new GSA to start at the beginning of the SGMA process in the eleventh year of the law. None of this supports the basin’s efforts to exit probation, a process that requires collaboration throughout the region. Furthermore, as per Wat Code § 10723(a), there is already an established process through which a GSA can form. Going through the legislative process to form a GSA would be superfluous and set a problematic precedent for addressing local groundwater governance issues.

“Additionally, the statute does not identify boundaries for the new GSA. If the intention of this bill is to reduce the current fragmentation of basin governance, it’s unclear how an Agency without boundaries will accomplish that intent. Rather than continuing to divide groundwater management in the region, it would be valuable to incentivize collaboration to ensure continued local control.”

- 10) **Double-Referral.** This bill is double-referred to the Assembly Water, Parks, and Wildlife Committee, where it passed on 13-0 vote on April 8, 2025.

## **REGISTERED SUPPORT / OPPOSITION:**

### **Support**

Tulare County [SPONSOR]  
Valley Ag Water Coalition

### **Opposition**

Clean Water Action  
Community Water Center  
Leadership Counsel for Justice and Accountability

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