

Date of Hearing: April 13, 2016

ASSEMBLY COMMITTEE ON LOCAL GOVERNMENT

Susan Talamantes Eggman, Chair

AB 2525 (Holden) – As Amended April 5, 2016

SUBJECT: Water-efficient landscaping.

SUMMARY: Requires the Department of Water Resources to create the California Water Efficient Landscaping Program. Specifically, **this bill:**

- 1) Requires the Department of Water Resources (DWR) to create the California Water Efficient Landscaping Program (Program) for the purpose of encouraging local agencies and water purveyors to use economic incentives that promote the efficient use of water, promote greenhouse gas emissions reduction and sequestration, promote the benefits of consistent landscape ordinances, as specified, and support and enhance water inefficient grass replacement.
- 2) Defines “water inefficient grass replacement” to mean either of the following improvements that substantially increases water efficiency of outdoor landscapes:
 - a) The installation of a water efficient irrigation system, including, but not limited to, the following:
 - i) Low-energy, high-efficiency drip irrigation;
 - ii) Rain harvesting technology to prevent stormwater runoff and promote water infiltration and supplemental irrigation;
 - iii) Low-energy graywater infrastructure to supplement outdoor irrigation supplies; and,
 - iv) Use of water efficiency application and monitoring systems;
 - b) The installation of water efficient and climate friendly landscape, including, but not limited to, the following:
 - i) The use of water efficient landscape design to promote stormwater capture and water infiltration while mitigating erosion;
 - ii) The installation of native plant species and other drought tolerant plants;
 - iii) The installation of shade trees;
 - iv) The installation of edible plants and fruit trees;
 - v) The generous use of organic soil, compost and mulch; and,
 - vi) The lowest impact method of carbon water inefficient grass replacement such as sheet mulching.
- 3) Requires the Program to contain the following three elements:

- a) A residential water inefficient grass replacement rebate program that provides financial incentives for the installation of water efficient landscape improvements;
 - b) A jobs program; and,
 - c) A public education for landscaping with the watershed approach in collaboration with local agencies.
- 4) Establishes the Water Efficient Landscaping Fund (Fund) in the State Treasury, and requires money in the Fund, upon appropriation by the Legislature to DWR, to be made available for the following purposes:
- a) Water inefficient grass replacement of up to \$2 per square foot;
 - b) The purchase of tools, plants, soil, mulch, water efficient irrigation technologies, and materials necessary to install water-efficient landscapes and irrigation systems;
 - c) Grants to local conservation corps certified by the California Conservation Corps for projects that promote the use of recycled organics, compost, and mulch, including, but not limited to, the following:
 - i) Projects that protect green spaces and urban canopies in disadvantaged and low-income communities from the threat of drought, including, but not limited to, those communities identified by the California Environmental Protection Agency's screening tool, CalEnviroScreen 2.0;
 - ii) Projects that include water efficient landscape improvements and projects that develop drought-resistant or rain garden plantscapes for families that qualify for the state Low-Income Home Energy Assistance Program; and,
 - iii) Projects that develop community health food gardens and landscapes.
 - d) Administration of this part.
- 5) Requires DWR, in creating the Program, to consider the following:
- a) That landscapes be designed for capture and infiltration capacity that is sufficient to prevent runoff to impervious surfaces and help prevent flooding;
 - b) The grading of impervious surfaces such as driveways during construction to drain to vegetated areas;
 - c) That the area of impervious surfaces, including, but not limited to, paved areas, roofs, and concrete driveways, be minimized;
 - d) Incorporation of pervious and porous surfaces that minimize runoff, including, but not limited to, permeable pavers or blocks, or pervious or porous concrete;
 - e) Directing runoff from paved surfaces and roof areas into planting beds and landscaped areas to maximize site water capture and reuse;

- f) Incorporation of rain gardens, cisterns, and other rain harvesting or catchment systems;
 - g) Incorporation of infiltration beds, swales, basins, and dry wells to capture stormwater and dry weather runoff and to increase percolation in the soil;
 - h) Encouraging the use of constructed wetlands and ponds that retain water, equalize excess flow, and filter pollutants;
 - i) Education as a critical component to promote the efficient use of water in landscapes;
 - j) Encouraging the use of appropriate principles of design, installation, management, and maintenance that save water;
 - k) Incentivizing the participation in water inefficient grass replacement programs by disadvantaged communities in drought relief areas;
 - l) Prioritizing the participation in water inefficient grass replacement programs for families that qualify for the Low-Income Home Energy Assistance Program;
 - m) Equity and fairness statewide in reimbursement rates for water inefficient grass replacement programs;
 - n) Program design that maximizes greenhouse gas emissions reductions of the water inefficient grass replacement projects; and,
 - o) Incentivizing installation of graywater systems that conform with the California Plumbing Code, as specified.
- 6) Allows DWR, in carrying out the Program, to use the services of the California Conservation Corps or certified community conservation corps.
- 7) Specifies the following requirements to apply to a project that receives a grant:
- a) The project shall use compost and mulch from recycled organic materials that maximize greenhouse gas emissions reductions;
 - b) The project shall leverage local, state, and federal funds; and,
 - c) DWR shall give priority to projects that would aid community green spaces and urban canopies at the greatest risk from drought and climate impacts.
- 8) Makes a number of findings and declarations, including the intent of the Legislature that the Program furthers and accomplishes water conservation, energy efficiency, and greenhouse gas emissions reduction and climate adaptation.

EXISTING LAW:

- 1) Prohibits a city or county from imposing a fine for a brown lawn or failure to water a lawn during a period for which the Governor has issued a state of emergency due to drought conditions.

- 2) Prohibits cities and counties from enacting or enforcing any ordinance or regulation that prohibits the installation of drought tolerant landscaping, synthetic grass or artificial turf on residential property.
- 3) Requires local agencies to have a water efficient landscape ordinance or use the DWR model water efficient landscape ordinance.

FISCAL EFFECT: This bill is keyed fiscal.

COMMENTS:

- 1) **Bill Summary.** This bill requires DWR to create the California Water Efficient Landscaping Program for the purpose of encouraging local agencies and water purveyors to use economic incentives that promote the efficient use of water, promote greenhouse gas emissions reduction and sequestration, promote the benefits of consistent landscape ordinances, and support and enhance water inefficient grass replacement.

This bill is sponsored by the California Association of Local Conservation Corps.

- 2) **Author's Statement.** According to the author, "On average Californians use over 50% of their water on landscaping and other outdoor uses. With many existing techniques and improvements available to increase water efficiency and conservation, California landscapes present a great and largely untapped opportunity for reducing water use throughout the state. Additionally, landscaping improvements provide many co-benefits, including greenhouse gas emission reductions, improved stormwater management, decreased energy use, recycling and material reuse, increased water capture, air quality improvements, and increased opportunities for workforce training and job development."
- 3) **Background.** Governor Brown issued two proclamations of a State of Emergency in early 2014 due to severe and ongoing drought conditions. In light of the impacts of the drought on water supply, the Governor issued Executive Order B-29-15 on April 1, 2015, which included orders to save water, increase enforcement against water waste, invest in new technologies, and streamline government response, as specified. Among its provisions, the Executive Order required the State Water Resources Control Board to impose restrictions to achieve a statewide 25 percent reduction in potable urban water usage through February 28, 2016, and required DWR to lead a statewide initiative, in partnership with local agencies, to replace 50 million square feet of lawns and ornamental turf with drought tolerant landscapes. DWR is directed to provide funding to allow for lawn replacement programs in underserved communities to complement existing local programs.

In response to the directive in the Executive Order, DWR has developed the Turf Replacement Initiative, consisting of three integrated program components:

- a) A Residential Turf Rebate Program, which provides customer rebates and contractor direct rebates for residential turf removal and replacement efforts;
- b) A Commercial, Industrial and Institutional Turf Replacement Program targeting turf removal and replacement on government and commercial sites in underserved communities of the San Joaquin Valley; and,

- c) A Statewide Campaign to Promote Drought Tolerant Landscapes, which is a DWR partnership with state, regional, local, and nonprofit entities to publicize the rebate initiative and communicate the benefits of converting lawns to drought tolerant landscapes, including outreach, community engagement, and technical support.

The 2015 Budget Act included \$25 million in Proposition 1 general obligation bond funds designated for water use efficiency to fund DWR's Turf Replacement Initiative. This level of funding was expected to support the conversion of over 10 million square feet of turf. The guidelines for the Residential Turf Rebate Program specify the state program rebate amount was \$2 per square foot of turf removed with a maximum rebate of \$2,000 per household. The guidelines required rebated portions of converted landscapes to only include low water use, drought tolerant, or California native plants, and prohibit the use of rebates for live or synthetic turf on converted landscapes.

4) **Prior Legislation:**

- a) AB 1881 (Laird), Chapter 559, Statutes of 2006, required the development and compliance with the model water efficient landscape ordinance.
- b) AB 1 (Brown), Chapter 62, Statutes of 2015, prohibited a city or county from imposing a fine for a brown lawn or failure to water a lawn during a period for which the Governor has issued a state of emergency due to drought conditions.
- c) AB 1164 (Gatto), Chapter 671, Statutes of 2015, prohibited cities and counties from enacting or enforcing any ordinance or regulation that prohibits the installation of drought tolerant landscaping, synthetic grass or artificial turf on residential property.

- 5) **Funding.** The Committee may wish to ask the author to discuss how the Program will be funded and whether funding is anticipated to be ongoing or one-time revenues.

6) **Committee Amendments.** The committee may wish to consider the following amendments:

- a) **No Funding Identified.** Given that there is no funding source specified in the bill, the Committee may wish to consider adding an amendment into the bill that makes the creation of the program by DWR contingent upon identification of a funding source either through legislative enactment or in the State Budget.
- b) **Drafting Error.** The author has indicated that there was a drafting error in the most recent set of amendments. The author would like correct Part 2.13, Section 10960 (b) of the Water Code, as follows:

(b) As used in this part, "water inefficient grass replacement" means ~~either~~ **both** of the following improvements that substantially increases water efficiency of outdoor landscapes:

- 7) **Arguments in Support.** Supporters argue that this bill will promote water conservation in urban landscapes through economic incentives, and will conserve precious natural resources by promoting more water efficient landscapes in California.

- 8) **Arguments in Opposition.** None on file.

- 9) **Double-Referral.** This bill was heard by the Water, Parks and Wildlife Committee on March 29, 2016, where it passed with a 10-3 vote.

REGISTERED SUPPORT / OPPOSITION:

Support

Association of Professional Landscape Designers - California Chapter
Bay-Friendly Landscaping & Gardening Coalition
Building Owners & Managers Association of California
California Association of Local Conservation Corps
California Building Industry Association
California Business Properties Association
California League of Conservation Voters
California Retailers Association
California Urban Water Conservation Council
Californians Against Waste
G3, Green Gardens Group
International Council of Shopping Centers
Mono Lake Committee
NAOIP, Commercial Real Estate Association
Nexus eWater
Sacramento Tree Foundation
Surfrider Foundation
Trust for Public Land
Yisrael Family Farm

Opposition

None on file

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