

**STATE WATER RESOURCES CONTROL BOARD
RESOLUTION NO. 2022-0035**

ADOPTING EMERGENCY REGULATIONS AMENDING DRINKING WATER FEE
SCHEDULES IN TITLE 22, SECTION 64305 OF THE CALIFORNIA CODE OF
REGULATIONS.

WHEREAS:

1. The State Water Resources Control Board (State Water Board) is responsible for administering the Safe Drinking Water Act (Health & Saf. Code, § 116270 et seq.) (SDWA). The SDWA requires that suppliers of water that meet the law's definition of a "public water system" submit an annual fee to the State Water Board "for the purpose of reimbursing the state board for the costs incurred by the state board for conducting activities mandated by [the SDWA]." (*Id.*, § 116565, subd. (a).)
2. Health and Safety Code section 116565, subdivision (c) requires the State Water Board to adopt, by regulation, a schedule of fees to be paid by public water systems.
3. On April 4, 2017, the State Water Board accordingly adopted title 22, division 4, chapter 14.5, sections 64300, 64305, 64310, and 64315 of the California Code of Regulations, setting forth an annual fee schedule for public water systems.
4. Health and Safety Code section 116565, subdivision (e) requires that the fee schedule initially be set through the regular rulemaking process and that, thereafter, amendments and adjustments to the schedule shall be adopted as emergency regulations that are not subject to review by the Office of Administrative Law.
5. The proposed emergency regulations amend section 64305 of title 22 of the California Code of Regulations to adjust the schedule of annual fees to be paid by public water systems.
6. The California Environmental Quality Act (CEQA) provides a statutory exemption for the review and modification of charges by public agencies. Specifically, Public Resources Code section 21080, subdivision (b)(8) provides for such statutory exemption if the public agency finds that such charges "are for the purpose of (A) meeting operating expenses, including employee wage rates and fringe benefits, (B) purchasing or leasing supplies, equipment, or materials, (C) meeting financial reserve needs and requirements, (D) obtaining funds for capital projects necessary to maintain service within existing service areas, or (E) obtaining funds necessary to maintain those intracity transfers as are authorized by city charter."

7. The State Water Board finds that the charges identified in title 22, division 4, chapter 14.5 of the California Code of Regulations, are for the purpose of: meeting operating expenses, including employee wage rates and fringe benefits; purchasing or leasing supplies, equipment, or materials; and meeting financial reserve needs and requirements.

THEREFORE BE IT RESOLVED THAT:

1. The State Water Board adopts emergency regulations amending title 22, division 4, chapter 14.5, section 64305 of the California Code of Regulations as appended to this resolution.
2. The State Water Board determines that adoption of title 22, division 4, chapter 14.5, section 64305 of the California Code of Regulations is statutorily exempt from CEQA for the reasons given above, and directs the State Water Board staff to prepare and submit to the State Clearinghouse a Notice of Exemption reflecting this determination.
3. State Water Board staff will submit the regulations to the Office of Administrative Law (OAL) for filing with the Secretary of State.
4. If, prior to OAL filing the regulations with the Secretary of State, State Water Board staff or the State Water Board determines that minor corrections to the language of the regulation or supporting documentation are needed for clarity or consistency, the State Water Board Executive Director or the Executive Director's designee may make such changes.

CERTIFICATION

The undersigned Clerk to the Board does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Resources Control Board held on September 20, 2022.

AYE: Chair E. Joaquin Esquivel
Board Member Sean Maguire
Board Member Laurel Firestone
Board Member Nichole Morgan
NAY: None
ABSENT: Vice Chair Dorene D'Adamo
ABSTAIN: None

 for

Jeanine Townsend
Clerk to the Board

§ 64305. Schedule for Annual Fees.

(a) Each public water system shall pay an annual fee to the State Board in the amount provided in Table 64305-A.

(b) Except as provided in subsection (c), for each community water system, the number of service connections is equal to the number of service connections that the public water system reported on the electronic Annual Report (eAR) that the public water system filed with the State Board for the calendar year immediately preceding the year in which the invoice is submitted to the public water system. If the public water system did not file an eAR, or did not report the number of service connections, for the calendar year immediately preceding the year in which the invoice is submitted, the State Board will calculate the number of service connections by increasing the number of service connections most recently reported on the eAR by 10% for each year that the number of service connections was not reported, except that if the public water system did not file an eAR for the calendar year 2012 or any calendar year thereafter, the State Board will calculate the number of service connections.

(c) For each community water system that serves a group quarters, the number of service connections for the group quarters is equal to the greater of the population for which the group quarters is designed or for which it is permitted divided by 3.3.

TABLE 64305-A – Public Water Systems Annual Fee

Water System Type	Fee
Community Water System	
100 or fewer service connections	\$500.00 <u>\$570.00</u> or \$8.34 <u>\$9.52</u> per service connection, whichever is greater.
100 or fewer service connections (disadvantaged community)	\$250.00 <u>\$285.00</u>
101 to 1,000 service connections	\$8.34 <u>\$9.52</u> per service connection
101 to 1,000 service connections (disadvantaged community)	\$250 <u>\$285</u> plus \$2.78 <u>\$3.17</u> per each service connection greater than 100
1,001 to 5,000 service connections	\$8.34 <u>\$9.52</u> per each of first 1,000 service connections plus \$4.87 <u>\$5.56</u> per each service connection greater than 1,000
1,001 to 5,000 service connections (disadvantaged community)	\$250 <u>\$285</u> plus \$2.78 <u>\$3.17</u> per each service connection greater than 100
5,001 to 15,000 service connections	\$8.34 <u>\$9.52</u> per each of first 1,000 service connections plus \$4.87 <u>\$5.56</u> per each service connection greater than 1,000 but less than 5,001 plus \$2.78 <u>\$3.17</u> per each service connection greater than 5,000
5,001 to 15,000 service connections (disadvantaged community)	\$250 <u>\$285</u> plus \$2.78 <u>\$3.17</u> per each service connection greater than 100
15,001 or more service connections	\$8.34 <u>\$9.52</u> per each of first 1,000 service connections plus \$4.87 <u>\$5.56</u> per each service connection greater than 1,000 but less than 5,001 plus \$2.78 <u>\$3.17</u> per each service connection greater than 5,000 but less than 15,001 plus \$1.88 <u>\$2.15</u> per each service connection greater than 15,000
15,001 or more service connections (disadvantaged community)	\$250 <u>\$285</u> plus \$2.78 <u>\$3.17</u> per each service connection greater than 100 but less than 15,001 plus \$1.88 <u>\$2.15</u> per each service connection greater than 15,000
Nontransient Noncommunity Water System	\$2.78 <u>\$3.17</u> per person served, but not less than \$635.00 <u>\$725.00</u> .
Transient Noncommunity Water System	\$1,112.00 <u>\$1,269.00</u> .
Wholesaler	\$8,342.00 <u>\$9,518.00</u> plus \$1.90 <u>\$2.17</u> per each MG

¹ “Million Gallons” (MG) means the annual average, rounded to the nearest million, as reported to the State Board by the wholesaler in the ~~Electronic Annual Report~~EAR for the four years immediately preceding the year in which the invoice is submitted to the public water system, of the total gallons of water that the wholesaler produced from surface water and from groundwater and gallons of finished water that the wholesaler purchased or received from another public water system.

Note: Authority cited: Sections 116271, 116350, 116375, and 116565, Health and Safety Code. Reference: Sections 116565 and 116590, Health and Safety Code.