

# Water Rights Fees Stakeholder Meeting

Thursday, August 1, 2024, at 1:00 pm – 3:00 pm

Webcast and Zoom Meeting Only

***NO PHYSICAL MEETING LOCATION***

Live Webcast [Here](#)

[Water Rights Email](#)



## **AGENDA**

1. Welcome and Introductions
2. WRF Budget Cost Drivers (Attachment 1)
3. WRF Fund Condition (Attachment 2)
4. WRF Budget Change Proposals:
  - a. [Establishment and Implementation of Instream Flow Objectives in the Scott and Shasta River Watersheds](#)
  - b. [Information Security and Privacy Office Staffing](#)
  - c. [New Groundwater Recharge Permitting Staff](#)
  - d. [Administrative Hearings Office - Special Projects Package \(May Revise\)](#)
5. Fee Change Proposals:
  - a. Base and Acre-Foot Fees (Attachment 3)
  - b. Application-Related Fees (Attachment 4)
  - c. Late Reporting Fee (Attachment 5)
  - d. Registration Program Fees (Attachment 6)
  - e. Water Rights Water Quality Certification Fees (Attachment 7)
6. Sustainable Groundwater Management Act (SGMA)
7. Open Discussion
8. Next Steps
  - a. September 18 Board Meeting

**Water Rights Fund  
Budget Cost Drivers  
FY 2024-25  
(\$000)**

<b>Water Rights Fund (3058)</b>	<b>FY 2023-24 Fee-Setting Budget</b>	<b>FY 2024-25 Governor's Enacted Fee-Setting Budget</b>	<b>Net Difference</b>	<b>Percent Change</b>
Budget Allocation	\$34,905	\$38,811	\$3,906	11.2%

<b>FY 2024-25 Budget Cost Drivers</b>	<b>Increase Amount</b>	<b>Percent Change</b>
State Operations <sup>1</sup>	\$840	2.4%
Pro Rata	(\$2)	0.0%
CDTFA	\$7	0.0%
24-25 Establishment and Implementation of Instream Flow Objectives in the Scott River and Shasta River Watersheds BCP	\$711	2.0%
24-25 Information Security and Privacy Office Staffing BCP	\$39	0.1%
24-25 New Groundwater Recharge Permitting Unit BCP	\$1,207	3.5%
24-25 Administrative Hearings Office Special Projects	\$1,104	3.2%
<b>Totals</b>	<b>\$3,906</b>	<b>11.2%</b>

<sup>1</sup> Control Section Item 9800 Employee Compensation, 3.60 Retirement, Healthcare Cost, and Cannabis Continuation BCP.

**Water Rights Fund  
Fund Condition (\$000)**

	FY 22-23	FY 23-24 (Forecast)	FY 24-25 No Fee Changes (Forecast)	FY 24-25 With Fee Changes (Forecast)
<b>BEGINNING BALANCE</b>	\$5,040	\$5,860	\$5,221	\$5,221
Prior year adjustments	\$360	\$0	\$0	\$0
<b>Adjusted Beginning Balance</b>	<b>\$5,400</b>	<b>\$5,860</b>	<b>\$5,221</b>	<b>\$5,221</b>
<b>Revenue</b>				
Regulatory Fees <sup>1</sup>	\$30,307	\$31,200	\$31,200	\$33,821
Cost Recovery <sup>2</sup>	\$29	\$1,000	\$1,000	\$1,000
SGMA Fees	\$0	\$750	\$750	\$750
Other Revenue <sup>3</sup>	\$369	\$441	\$203	\$203
<b>Total Revenue</b>	<b>\$30,705</b>	<b>\$33,391</b>	<b>\$33,153</b>	<b>\$35,774</b>
<b>Expenditures</b>				
Water Board State Operations <sup>4</sup>	\$27,235	\$29,000	\$33,871	\$33,871
Cost Recovery Expenditures <sup>2</sup>	\$29	\$1,000	\$1,000	\$1,000
SGMA	\$0	\$750	\$750	\$750
Other State Operations <sup>5</sup>	\$2,981	\$3,280	\$3,190	\$3,190
<b>Total Expenditures</b>	<b>\$30,245</b>	<b>\$34,030</b>	<b>\$38,811</b>	<b>\$38,811</b>
Surplus/(Deficit)	\$460	(\$639)	(\$5,658)	(\$3,037)
<b>ENDING BALANCE</b>	<b>\$5,860</b>	<b>\$5,221</b>	<b>(\$437)</b>	<b>\$2,184</b>
<b>Fund Reserve</b>	<b>19.4%</b>	<b>15.8%</b>	<b>-1.2%</b>	<b>5.8%</b>

<sup>1</sup> Forecasted revenue is based on estimated billing amounts for applications, annual fees for license/permit/pending applications and estimated revenue from petitions and one-time applications.

<sup>2</sup> Ongoing cost recovery for the California Environmental Quality Act (CEQA) Consultation.

<sup>3</sup> Includes miscellaneous services to the public, Surplus Money Investment Fund (SMIF) & Enforcement, and F&P revenue.

<sup>4</sup> \$29,000 is the FY23-24 projected Water Board state operation expenditures and the budgeted amount is \$32,467.

<sup>5</sup> Includes expenditures for CDTFA, CalEPA, Supplemental Pension and Pro Rata.

**Proposed Fee Changes:  
Permits, Licenses and Pending Applications  
Base and Per Acre-Foot Fees**

<b>Fee Type</b>	<b>Current Fee</b>	<b>Proposed Fee</b>	<b>Fee Increase Percentage</b>
Base	\$300	\$350	16.6%
Acre-Foot	\$0.109	\$0.120	10.0%

<b>Category</b>	<b>Current Fee Amounts</b>	<b>Proposed Fee Amounts</b>	<b>Net Dollar Amount Increase</b>	<b>Actual Fee Increase</b>
Low Fee Payer - 9 acre-feet	\$300.00	\$350.00	\$50.00	16.6%
Low Fee Payer - 20 acre-feet	\$301.09	\$351.20	\$50.11	16.7%
Mid Fee Payer - 1,000 acre-feet	\$407.91	\$498.80	\$90.89	22.3%
High Fee Payer - 9,411,707 acre-feet	\$513,087.51	\$564,876.85	\$51,789.34	10.1%

## Water Rights Fee Proposal Application-Related Fees

### 1. Application Fee<sup>[1][9][10][13]</sup> [Citation: §1062(a)(1)(A)]

**Current:** \$1,000 plus \$15 per each acre-foot greater than 10 acre-feet based on the total annual amount of diversion sought by the application or \$648,914, whichever is less

**Proposed:** The applicant shall pay the following fee based on the total annual amount of diversion sought by the application:

Acre-feet requested	Tier	Fee
Under 10 af	1	\$5,000
10 to <200 af	2	\$40,000
200 to <1K af	3	\$43,000
1K to <5K	4	\$55,000
5K to <10K	5	\$117,000
10K to <15K	6	\$192,000
15K to <20K	7	\$266,000
20K to <25K	8	\$341,000
25K to <30K	9	\$415,000
30K to <35K	10	\$489,000
35K to <40K	11	\$564,000
40K to <200K	12	\$649,000
≥200K	13	\$811,000

Project Complexity Surcharge: A complexity surcharge of an additional 20% per application (120% of the tier amount shown above) shall be included for:

1. Applications proposing to divert from a location(s) within the watershed of the Sacramento-San Joaquin Bay Delta;
2. Applications proposing to divert by means of an onstream dam(s) located within the geographic area covered by the Policy for Maintaining Instream Flows in Northern California Coastal Streams.

Add Footnote 13

### 2. Application Fee for Small Hydroelectric<sup>[9]</sup> [Citation: §1062(a)(1)(B)]

**Current:** \$1,000

**Proposed:** Under 10 af: fee equal to Tier 1 of fee calculated under §1062(a)(1)(A), including the Project Complexity Surcharge.

**Water Rights Fee Proposal  
Application-Related Fees**

10 af or more: fee equal to Tier 2 of the fee calculated under §1062(a)(1)(A), including the Project Complexity Surcharge.

- 3. Application for 180-day Temporary Permit filed pursuant to §1425 other than for diversion to underground storage during high flow events<sup>[9]</sup> [Citation: §1062(a)(1)(C)]**

**Current:** \$2,000 or 50% of the fee calculated under §1062(a)(1)(A), whichever is greater

**Proposed:** 50% of the fee calculated under §1062(a)(1)(A)

- 4. Application for 180-day Temporary Permit for Small Hydroelectric that meet criteria established in CCR, title 14, §15328<sup>[9]</sup> [Citation: §1062(a)(1)(D)]**

**Current:** \$1,000

**Proposed:** Under 10 af: 50% of fee for Tier 1 of fee calculated under §1062(a)(1)(A), including the Project Complexity Surcharge.

10 af or more: 50% of the fee equal to Tier 2 of the fee calculated under §1062(a)(1)(A), including the Project Complexity Surcharge.

- 5. Application for 180-day Temporary Permit filed pursuant to Water Code §1425 to Divert to Underground Storage During High Flow Events<sup>[9]</sup> [Citation: §1062(a)(1)(E)]**

**Current:** The lesser of the standard Temporary Permit fee or \$5,000 plus \$0.10 for every acre-foot of diversion sought by the application

**Proposed:**

When submitted a minimum of 120 days prior to requested commencement of diversion	35% of the fee calculated under §1062(a)(1)(A)
When submitted less than 120 days prior to requested commencement of diversion	50% of the fee calculated under §1062(a)(1)(A)

Add Footnote [10]

Eliminate separate fee structure for renewals.

- 6. Application for 5-year Temporary Permit filed pursuant to Water Code §1433 to Divert to Underground Storage**

**Water Rights Fee Proposal  
Application-Related Fees**

**Current:** \$6,000 plus [The lesser of the standard 180-day Temporary Permit fee or \$5,000 plus \$0.10 for every acre-foot of diversion sought by the application]

As an annual fee component of the filing fee for each Year 2 to 5: State Board fee: \$0.20 for every acre-foot of actual flows diverted under the renewed temporary permit, due within 30 days after the end of the diversion season

**Proposed:**

When submitted a minimum of 120 days prior to requested commencement of diversion	35% of the fee calculated under §1062(a)(1)(A)
When submitted less than 120 days prior to requested commencement of diversion	50% of the fee calculated under §1062(a)(1)(A)

Add Footnotes [9] and [10]

**7. Change Petition Fee involving a Split per CCR Section 836<sup>[11]</sup> [Citation: §1064(a)(1)(A)(iv)]**

**Current:** \$850

**Proposed:**

\$850 except for pending applications.

Pending application: \$850 paid by the initial applicant, plus where the application initially requested 40,000 acre-feet or greater, the fee calculated under §1062(a)(1)(A) for the additional application(s) generated paid by the applicant(s) of the split application(s).

**8. Petition to Revise Declaration of Fully Appropriate Streams filed with water right application [Citation: §1062(a)(2)]**

**Current:** \$10,000 in addition to Application Fee

**Proposed:** \$100,000 in addition to Application Fee

**9. Petition for Assignment of a State-filed application filed with water right application [Citation: §1062(a)(3)]**

**Current:** \$5,000 in addition to Application Fee

**Proposed:** \$20,000 in addition to Application

## Water Rights Fee Proposal Application-Related Fees

### 10. Request for Release from Priority of a State-filed application<sup>[11]</sup> [Citation: §1064(a)(3)]

**Current:** \$5,000

**Proposed:**

Accompanying the filing of an application to appropriate water, an unnoticed application or pending application with active protests	\$20,000
When submitted for a pending application that has been noticed with no unresolved protests	\$5,000
For a single pending application that has been noticed with no unresolved protests, that simultaneously seeks release from two or more state-filed applications	\$10,000

Footnotes:

[1] Total Acre-Foot per Annum will be considered equal to the diversion rate multiplied by the length of the direct diversion season, and the total collection amount for storage, unless otherwise specified. If the Permit, License or Application includes both direct diversion and storage, the two amounts will be additive, unless a total annual amount is specified. For water rights that are primarily for a hydropower purpose, the fee shall be **1)** the greater of either 30 percent of the applicable fee or \$100 for facilities licensed by the Federal Energy Regulatory Commission **where the Federal Energy Regulatory Commission license includes a water quality certification; or 2)** the greater of either 50 percent of the applicable fee or \$100 for all other hydropower facilities.

[9] Fee includes a non-refundable initial review fee equal to \$500 plus 10% of the applicable application filing fee for an initial review. No portion of the application fee shall be refundable once the application is either (1) accepted for filing, or (2) the board communicates to the applicant that the applicant made a bona fide attempt to conform to the rules and regulations, but that the application is defective in some manner pursuant to §1062(c).

[10] The fee for an application for an appropriative right to divert water to underground storage shall be 75 percent of the fee ~~calculated for the standard Application Fee that would otherwise apply~~. Application Fee provided the following criteria are met: (a) The application must be for diversion of water only between December 1 and March 31 **except no restriction on season for diversion of flood flows per part (e)**; (b) The application must be primarily for diversion to underground storage in a groundwater basin identified in Bulletin



## **Water Rights Fee Proposal Application-Related Fees**

118; (c) The applicant must be a Groundwater Sustainability Agency or local agency as defined in Water Code section 10721; (d) The applicant has completed all environmental documents required under the California Environmental Quality Act (CEQA); (e) The application proposes diversions only when either the streamflow at the point(s) of diversion is above the 90th percentile calculated from gage data during the period-of-record and the diversion rate is limited to 20 percent of the total streamflow, or when flows in the source waterbody at or near the point of diversion exceed thresholds that trigger flood control actions necessary to mitigate threats to human health and safety according to established written flood management protocols adopted by a flood control agency.

[11] Filing fee is inclusive of a non-refundable \$250 fee for an initial review. A petition for a temporary urgency change filed under Water Code section 1443.1 that is solely for purposes of diverting water to underground storage for later beneficial use shall be accompanied by, in addition to the fee required by subdivision (a) of this section, a fee for the California Department of Fish and Wildlife review of the petition as follows: (i) For a petition to divert less than 10,000 acre-feet of water per year, \$3,000 plus \$0.10 per acre-foot of water applied for; or (ii) For a petition to divert 10,000 acre-feet of water per year or more, \$5,000 plus \$0.10 per acre-foot of water applied for.

**[13] For applications of equal to or greater than 40,000 acre-feet: When, after date of initial filing, the applicant requests splitting of an initial filing into separate applications for reasons other than identified in CCR Section 836: the request shall be accompanied by the fee calculated under §1062(a)(1)(A) for the additional application(s) generated paid by the applicant(s) of the split application(s).**

## Late Reporting Fee

Concept for Late Reporting Fee				
Size (acre-feet)	30-60 days late	61-90 days late	>90 days late	Annual Fee*
0-100	25% of annual fee	40% of annual fee	50% of annual fee	\$300 - \$310.90
>100-1,000	30% of annual fee	45% of annual fee	55% of annual fee	\$310.90 to \$409
>1,000-5,000	40% of annual fee	50% of annual fee	60% of annual fee	\$409 to \$845
>5,000-25,000	50% of annual fee	60% of annual fee	75% of annual fee	\$845 to \$2,725
>25,000	60% of annual fee	75% of annual fee	85% of annual fee	>\$2,725
<p>Note: Size categories and fee amounts are initial proposals and subject to change; we are seeking Board member input on whether the fee is reasonable and the categories appropriate.</p> <p>*Current Annual Fee: Base fee (\$300 per year) plus \$0.109 for every acre-foot greater than 10. Diversions less than 10 acre-feet only pay the base fee.</p> <p><a href="https://waterboards.ca.gov/resources/fees/stakeholder/docs/2023/fy2324-wr-fees-summary.pdf">waterboards.ca.gov/resources/fees/stakeholder/docs/2023/fy2324-wr-fees-summary.pdf</a></p>				

## Registration Program Fees

### Item 1 – Registration Amendment Filing Fee

**Current Regulation:** CCR, Section 1064(a)(4), states “The fee for a petition filed pursuant to Water Code section 1228.7 to change the point of diversion or place of use under a registration of an appropriation for small domestic or livestock stockpond use shall be \$500.”

**Proposed Regulation Change:** The fee for ~~a petition filed~~ filing an amendment pursuant to Water Code section 1228.7 to change the point of diversion or place of use under a registration of an appropriation for small domestic or livestock stockpond use shall be ~~\$500~~ the same as the fee required by section 1068(a) for an initial filing of a registration.

### Item 2 – Small Irrigation Appropriation Registration Fee

**Current Regulation:** CCR, Section 1068(e) states, “A person who registers an appropriation of water for small irrigation use pursuant to Water Code section 1228.3, for which cannabis cultivation is an intended use and for which no onstream reservoir will be constructed or used, shall pay to the board a non-refundable annual fee of \$750.”

**Proposed Regulation Change:** A person who registers an appropriation of water for small irrigation use pursuant to Water Code section 1228.3, for which cannabis cultivation is an intended use and for which no onstream reservoir will be constructed or used, shall pay to the board a non-refundable annual fee of \$750. If a registrant no longer uses the registration for cannabis cultivation but wants to keep the diversion for another purpose of use, the registrant shall continue paying this annual fee until a request for a replacement water right has been filed and a revocation has been requested by the registrant.

### **Proposed Change to Water Rights Water Quality Certification Fees:**

Proposal to simplify water right-related water quality certification fees – remove or modify subdivision (b)(2) from California Code of Regulations, title 23, section 3833. This would simplify the application fee structure such that applicants could more easily predict applicable fees using either section 3833.1 or section 2200, depending on the type of certification sought. This change would not be expected to significantly change fees for any other type of certification application, but may reduce overall Division costs of processing certifications slightly.