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# AB-568 Tule East Groundwater Sustainability Agency Act. (2025-2026)



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CALIFORNIA LEGISLATURE — 2025-2026 REGULAR SESSION

**ASSEMBLY BILL** NO. 568

## **Introduced by Assembly Member Macedo**

February 12, 2025

An act to amend Section 10723 of the Water Code, and to create the Tule East Groundwater Sustainability Agency, and prescribing its boundaries, organization, operation, management, financing, and other powers and duties, relating to water districts.

## LEGISLATIVE COUNSEL'S DIGEST

AB 568, as amended, Macedo. Tule East Groundwater Sustainability Agency Act.

Existing law, the Sustainable Groundwater Management Act, requires all groundwater basins designated as high- or mediumpriority basins by the Department of Water Resources to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans, except as specified. The act authorizes any local agency or combination of local agencies overlying a groundwater basin to decide to become a groundwater sustainability agency for that basin. The act deems certain agencies created by statute to manage groundwater the exclusive local agencies within their respective statutory boundaries with powers to comply with the act and authorizes these agencies to opt out of being the exclusive groundwater management agency.

This bill would create the Tule East Groundwater Sustainability Agency and would establish the agency's initial boundaries. The bill would authorize the boundaries of the agency to be adjusted, as specified. The bill would require the agency to elect to be a groundwater sustainability agency under the Sustainable Groundwater Management Act for that portion of the Tule Subbasin that lies within the boundaries of the agency and would require the agency to develop and implement a groundwater sustainability plan to achieve sustainable groundwater management within the territory of the agency. The bill would generally specify the powers and purposes of the agency. The bill would prescribe the composition of the 5-member board of directors of the agency and would require members and alternates to be chosen, as specified. By imposing duties on the agency and the County of Tulare, the bill would impose a state-mandated local program. The bill would deem the Tule East Groundwater Sustainability Agency the exclusive local agency with powers to comply with the Sustainable Groundwater Management Act.

This bill would make legislative findings and declarations as to the necessity of a special statute for the Tule Subbasin.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: yes

#### THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** Section 10723 of the Water Code is amended to read:

- **10723.** (a) Except as provided in subdivision (c), any local agency or combination of local agencies overlying a groundwater basin may decide to become a groundwater sustainability agency for that basin.
- (b) Before deciding to become a groundwater sustainability agency, and after publication of notice pursuant to Section 6066 of the Government Code, the local agency or agencies shall hold a public hearing in the county or counties overlying the basin.
- (c) (1) Except as provided in paragraph (2), the following agencies created by statute to manage groundwater shall be deemed the exclusive local agencies within their respective statutory boundaries with powers to comply with this part:
  - (A) Alameda County Flood Control and Water Conservation District, Zone 7.
  - (B) Alameda County Water District.
  - (C) Desert Water Agency.
  - (D) Fox Canyon Groundwater Management Agency.
  - (E) Honey Lake Valley Groundwater Management District.
  - (F) Kings River East Groundwater Sustainability Agency.
  - (G) Long Valley Groundwater Management District.
  - (H) Mendocino City Community Services District.
  - (I) Mono County Tri-Valley Groundwater Management District.
  - (J) Monterey Peninsula Water Management District.
  - (K) North Fork Kings Groundwater Sustainability Agency.
  - (L) Ojai Groundwater Management Agency.
  - (M) Orange County Water District.
  - (N) Pajaro Valley Water Management Agency.
  - (O) San Joaquin River Exchange Contractors Groundwater Sustainability Agency.
  - (P) Santa Clara Valley Water District.
  - (Q) Sierra Valley Groundwater Management District.
  - (R) Tule East Groundwater Sustainability Agency.
  - (S) Willow Creek Groundwater Management Agency.
  - (2) An agency identified in this subdivision may opt out of being the exclusive groundwater management agency within its statutory boundaries by sending a notice to the department, which shall be posted on the department's internet website within 15 days of receipt. If an agency identified in paragraph (1) opts out of being the exclusive groundwater management agency, any other local agency or combination of local agencies operating within the statutory boundaries of the agency that has opted out may notify the department pursuant to Section 10723.8 of its decision to be the groundwater sustainability agency.

- (3) A local agency listed in paragraph (1) may comply with this part by meeting the requirements of Section 10733.6 or opting to become a groundwater sustainability agency pursuant to this section. A local agency with authority to implement a basin-specific management plan pursuant to its principal act shall not exercise any authorities granted in this part in a manner inconsistent with any prohibitions or limitations in its principal act unless the governing board of the local agency makes a finding that the agency is unable to sustainably manage the basin without the prohibited authority.
- (d) The decision of a local agency or combination of agencies to become a groundwater sustainability agency shall take effect as provided in Section 10723.8.
- SEC. 2. This act shall be known and may be cited as the Tule East Groundwater Sustainability Agency Act.

#### **Tule East Groundwater Sustainability Agency Act**

#### Article 1. Findings and Declarations

- **101.** The Legislature hereby finds and declares that the preservation of the groundwater resources within the territory of the agency is in the public interest and that the creation of the agency pursuant to this act is for the common benefit.
- **102.** The Legislature further finds and declares that the groundwater management activities of the agency benefit all operators of groundwater extraction facilities within the territory of the agency.
- **103.** The Legislature further finds and declares that circumstances in the territory of the agency to be formed hereby, which may not exist in other locations, justify the formation of the agency and the grant of powers contained in this act.

## Article 2. Creation and Purposes

- **201.** (a) A groundwater management agency is hereby created in the County of Tulare to be known as the Tule East Groundwater Sustainability Agency.
- (b) The agency shall be governed by a board as specified in Section 501 and shall have the boundaries specified in Section 301. The agency shall only exercise the powers granted by this act and the Sustainable Groundwater Management Act (Part 2.74 (commencing with Section 10720) of Division 6 of the Water Code) for purposes of groundwater management within the boundaries of the agency, together with any other powers as are reasonably implied, necessary, and proper to carry out the objectives and purposes of the agency to implement the Sustainable Groundwater Management Act (Part 2.74 (commencing with Section 10720) of Division 6 of the Water Code). The agency shall abide by the rules and regulations promulgated by the Department of Water Resources and the State Water Resources Control Board to implement the Sustainable Groundwater Management Act.

#### Article 3. Boundaries

- **301.** For purposes of this act, the initial boundaries of the agency shall include the following:
- (a) All land located within the boundaries of the Hope Water District and the Ducor Water District located in the County of Tulare.
- (b) The area within the Tule Subbasin east of the boundaries of the Lower Tule Irrigation District, Pixley Irrigation District, and Delano-Earlimart Irrigation District, excluding the boundaries of the Porterville Irrigation District, Saucelito Irrigation District, Vandalia Water District, Tea Pot Dome Water District, Terra Bella Irrigation District, Kern-Tulare Water District, and the City of Porterville.
- **302.** (a) The initial boundaries may be changed upon action by the agency's board of directors after a noticed public hearing with 14 30 calendar days' notice. The boundaries shall be depicted on a map that shall be *submitted to the department and* maintained by the board of directors of the agency.
- (b) The boundaries of the agency shall not be adjusted to include an area of the basin within the management area of another groundwater sustainability agency unless the agency has entered into a memorandum of agreement or other legal agreement with that groundwater sustainability agency that permits the area to be included.
- (c) The boundaries of the agency shall not be adjusted to include any part of a proposed management area, as defined in a notice of intent submitted pursuant Section 10723.8 of the Water Code, unless the agency 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.

#### Article 4. Definitions

**401.** Unless otherwise indicated by their context, the definitions set forth in this article govern the interpretation of this act.

- 402. "Agency" means the Tule East Groundwater Sustainability Agency established by this act.
- **403.** "Aquifer" means a geologic formation or structure that transmits water in sufficient quantities to supply pumping wells or springs.
- **404.** "Basin" has the same meaning as defined in Section 10721 of the Water Code.
- 405. "Board" means the board of directors of the agency, as more particularly described in Section 501.
- **406.** "Coordination agreement" has the same meaning as defined in Section 10721 of the Water Code.
- 407. "County" means the County of Tulare.
- 408. "Ducor" means the Ducor Water District.
- 409. "Extraction" means the act of obtaining groundwater by pumping or other controlled means.
- **410.** "Groundwater" has the same meaning as defined in Section 10721 of the Water Code.
- **411.** "Groundwater management activities" means programs, projects, measures, or actions taken to preserve, protect, and enhance groundwater resources within the territory of the agency.
- 412. "Hope" means the Hope Water District.
- **413.** "Member agency" means the Hope Water District, the Ducor Water District, the County of Tulare, and the entities entitled to representation on the agency's board of directors as specified in Section 501.
- 414. "Operator" has the same meaning as defined in Section 10721 of the Water Code.
- 415. "Person" has the same meaning as defined in Section 10735 of the Water Code.
- 416. "Plan" means a groundwater sustainability plan prepared by the agency pursuant to this act.
- 417. "Supplemental water" means surface water or groundwater imported from outside the watershed or watersheds of the basin or aquifer and floodwaters that are conserved and saved within the watershed or watersheds that would otherwise have been lost or would not have reached the basin or aquifer.
- **418.**417. "Tule Subbasin" means the San Joaquin Valley Groundwater Basin Tule Subbasin.

Article 5. General Provisions

- **501.** (a) The agency shall be governed by a board of directors that shall consist of five members, as follows:
  - (1) One member shall be chosen by Hope from the members of the board of directors of Hope.
  - (2) One member shall be chosen by Ducor from the members of the board of directors of Ducor.
  - (3) One member shall be chosen by the county from the members of the board of supervisors of the County of Tulare.
  - (4) (A) Two members shall be chosen by the other three board members to represent groundwater-dependent agricultural interests within the territory of the agency. These members shall be actively engaged in the production of agriculture within the territory of the agency. These members shall may 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.
    - (B) At least one member chosen pursuant to this paragraph shall be or represent socially disadvantaged farmers. This provision shall apply to the extent authorized by law.
- (b) The board members described in paragraphs (1), (2), and (3) of subdivision (a) shall be chosen by their respective governing boards from their board members whose districts or divisions overlie, at least in part, the territory of the agency.
- (c) There shall be 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.

- (d) Members and their alternates shall be chosen on or before November 30, 2026.
- **502.** (a) The members described in paragraphs (1) to (3), inclusive, of subdivision (a) of Section 501 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.
- (b) The member described in paragraph (4) of subdivision (a) of Section 501 shall serve four-year terms of office.
- **503.** (a) The board may adopt an ordinance to provide compensation to members of the board in an amount not to exceed one hundred dollars (\$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. For purposes of this section, the determination of whether a board member's activities on any specific day are compensable shall be made pursuant to Article 2.3 (commencing with Section 53232) of Chapter 2 of Part 1 of Division 2 of Title 5 of the Government Code.
- (b) Reimbursement for expenses of members of the board is subject to Sections 53232.2 and 53232.3 of the Government Code.
- (c) The board may adopt an ordinance to increase the compensation received by members of the board above the amount of one hundred dollars (\$100) per day. The increase shall not exceed an amount equal to 5 percent, for each calendar year following the operative date of the last adjustment, of the compensation that is received when the ordinance is adopted.
- (d) A board member shall not be compensated for more than a total of 10 days in any calendar month.
- **504.** (a) The board may 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 agency.
- (b) All resolutions, policies, rules, and regulations shall be adopted at a public meeting and require a majority vote of the board.
- **505.** No provision of this act shall be construed as denying to the county, Hope, or Ducor, or any other member agency any rights or powers that they already have or that they may be granted.
- **506.** The agency may contract with the county for staff and other services. The agency may hire contractors, consultants, and legal counsel as it considers appropriate.
- **507.** The agency shall enter into a coordination agreement with other local agencies for purposes of coordinating the agency's plan with other agencies or groundwater sustainability plans within the Tule Subbasin as required by the Sustainable Groundwater Management Act (Part 2.74 (commencing with Section 10720) of Division 6 of the Water Code).
- **508.** The agency may exclude from any of the requirements of this act, 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.

# Article 6. Studies and Investigations

- **601.** The agency may collect data and conduct technical and other investigations of all kinds in order to carry out the provisions of this act. 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.
- **602.** The agency may 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.

# Article 7. Sustainable Groundwater Management Powers

- **701.** The agency shall develop and implement a groundwater sustainability plan pursuant to Chapter 6 (commencing with Section 10727) of Part 2.74 of Division 6 of the Water Code to achieve sustainable groundwater management within the territory of the agency.
- **702.** The agency shall elect to be a groundwater sustainability agency pursuant to Chapter 4 (commencing with Section 10723) of Part 2.74 of Division 6 of the Water Code for that portion of the Tule Subbasin that lies within the boundaries of the agency.
- **703.** The agency may exercise any of the powers described in Chapter 5 (commencing with Section 10725) of Part 2.74 of Division 6 of the Water Code and the enforcement powers described in Chapter 9 (commencing with Section 10732) of Part 2.74

of Division 6 of the Water Code.

704.The availability of supplemental water to any operator shall not subject that operator to regulations by the agency that are more restrictive than those imposed on other operators.

Article 8. Fee Authority

**801.** Pursuant to Chapter 8 (commencing with Section 10730) of Part 2.74 of Division 6 of the Water Code, the agency 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, that include, but are not limited to, the preparation, adoption, and amendment of a groundwater sustainability plan, investigations, inspections, compliance assistance, enforcement, and program administration, including a prudent reserve.

#### Article 9. Miscellaneous

- **901.** In the event of any conflict between this act and the provisions of the Sustainable Groundwater Management Act (Part 2.74 (commencing with Section 10720) of Division 6 of the Water Code), the provisions of the Sustainable Groundwater Management Act shall prevail.
- **SEC. 3.** The Legislature finds and declares that a special statute is necessary and that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique need to establish a functional groundwater sustainability agency in the Tule Subbasin.
- **SEC. 4.** No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.