GOVERNOR'S BUDGET PROPOSAL: INVESTMENTS IN SUSTAINABLE GROUNDWATER MANAGEMENT

The Governor's May 14 budget proposes to invest more than $1 billion to protect and better manage groundwater. On average, Californians rely on groundwater for 40 percent of our annual supplies in average and wet years and nearly 60 percent in drought years. The proposed investments would help address immediate needs in this second year of drought and also support longer-term, local efforts to bring groundwater basins into sustainable conditions for future generations. In the San Joaquin and Sacramento valleys, the Central Coast, and other groundwater-dependent parts of California, more than 260 local groundwater sustainability agencies (GSA) have been formed since the last drought in 2014 and are planning and implementing projects. The Sustainable Groundwater Management Act (SGMA) requires these agencies to achieve sustainable groundwater conditions by 2040 or risk intervention by the state. The Governor's proposed budget, which requires legislative approval, would significantly increase state financial and technical support for the locally-driven transition to sustainable groundwater management.

PROPOSED INVESTMENTS IN THE GOVERNOR'S BUDGET:

- **$500 million to the Department of Conservation for multi-benefit land repurposing** through local planning and collaboration to guide reuse of farmland where more acres are currently irrigated than groundwater aquifers can support. A multi-benefit land repurposing grant program would support regions in their efforts to reduce irrigated crops in ways that protect public health, ecosystems, and local economies.

- **$300 million to the Department of Water Resources (DWR) for SGMA implementation**, including infrastructure projects to improve water supply security, water quality, and/or the reliability of drinking water wells through the implementation of SGMA, to provide technical assistance grants to ensure broad engagement of under-represented communities in SGMA implementation, and to provide under-represented communities with direct and tangible drinking water quality and supply benefits where analysis and mitigation are needed.

- **$10 million to DWR to accelerate collection and reporting of subsidence data.** This satellite-based method measures changes in ground surface elevations over broad areas caused by the over-pumping of groundwater basins. The data will help water managers anticipate damage to water infrastructure, including levees and canals.

- **As part of the $49 million to DWR for critical data collection,** the groundwater elements include:
  - **enhanced groundwater monitoring** near disadvantaged communities, interconnected surface water and groundwater systems, and groundwater-dependent ecosystems. The installation of dedicated monitoring wells will improve data used by the state agencies, GSAs, disadvantaged communities, and environmental interests.

- **support an open-source groundwater accounting tool,** guidance, and data standards that can help GSAs, landowners, environmental interests, and communities manage the transition to sustainable groundwater use and support efficient and equitable water markets. This includes a state-local pilot project to inventory abandoned and active agricultural and drinking water wells to inform water accounting and improve the management of groundwater quantity and quality.

- **aerial electromagnetic surveys of groundwater basins** building on current efforts to fill data gaps and improve understanding and management of interconnected surface water and groundwater systems, groundwater-dependent ecosystems, and impacts to drinking water wells. This information will support implementation of shovel-ready recharge projects identified in GSPs.

OTHER INVESTMENTS PROPOSED BY THE GOVERNOR THAT WILL BENEFIT GROUNDWATER MANAGEMENT:

- **$200 million** to repair subsidence-damaged canals in the San Joaquin Valley.
- **$150 million** for water recycling projects and groundwater cleanup projects.
- **$150 million** to assist small water supply systems (those that serve 15-2,999 connections) with drought contingency planning.
- **$150 million** to larger urban water districts for drought response and water supply projects.
- **$60 million** for grants to incentivize agricultural water use efficiency.
- **$25 million** for detailed, watershed-scale climate analyses to inform water managers about likely future climate effects.
- **$20 million** for grants to local water districts to monitor and clean up groundwater contaminated by the chemical PFAS.
- **$13 million** to provide California's share of the costs of a $100 million federal desalination research hub that aims to reduce the energy consumption and cost associated with de-salting water, including brackish groundwater and agricultural runoff.
- **$12 million** to address drought-related drinking water emergencies.

The Governor's proposed budget, now under consideration by the Legislature, addresses short- and long-term groundwater management needs comprehensively, with support for planning, projects, data, and monitoring, and an emphasis on meeting the needs of groundwater-dependent disadvantaged communities.