



PROPOSED WSIP REGULATION CHANGE

The California Water Commission has \$638 million of uncommitted funding available to support the public benefits associated with existing Water Storage Investment Program (WSIP) projects. The Commission is proposing a modification to the WSIP regulations to allow it to use uncommitted funds to support the timely completion of existing, approved WSIP projects.

WHAT IS THE WSIP?

The Water Storage Investment Program (WSIP) uses funds from Proposition 1 (2014) and Proposition 4 (2024) to invest in the public benefits associated with water storage projects. Public benefits include flood control, ecosystem improvement, water quality improvement, emergency response, and recreation.

Five projects are eligible for WSIP funding. One project has received a final funding award from the Commission. The other four projects have a conditional funding determination, which sets the maximum amount of money the Commission may award the projects once they have completed the requirements necessary for a final funding award. Each project proponent drives their own project schedule.

These projects, if completed, will boost the state's water storage capacity by up to 2.5 million acre-feet and provide important public benefits to the people of California.

WHY DOES THE COMMISSION HAVE \$638 MILLION?

Over the past year, two projects withdrew from WSIP, returning funding to the program. The passage of Proposition 4 contributed additional funding.

WHAT ARE THE EXISTING, APPROVED WISP PROJECTS?

CHINO BASIN PROGRAM

Conditional Funding Determination: \$269,113,244

Estimated Award Date: November 2027

Public Benefits: Ecosystem, Water quality, Emergency response

KERN FAN GROUNDWATER STORAGE PROJECT

Conditional Funding Determination: \$111,417,305

Estimated Award Date: March 2028

Public Benefits: Ecosystem, Emergency response

SITES PROJECT

Conditional Funding Determination: \$1,094,373,507

Estimated Award Date: June 2026

Public Benefits: Ecosystem, Flood control, Recreation

WILLOW SPRINGS WATER BANK

Conditional Funding Determination: \$128,274,876

Estimated Award Date: March 2027

Public Benefits: Ecosystem, Emergency response

HARVEST WATER PROGRAM

Final Award: \$364,844,199

Received: June 2023

Public Benefits: Ecosystem, Water quality

WHY THE REGULATION CHANGE?

WSIP regulations, adopted by the Commission at the start of the program in 2016, do not describe a process for re-committing funds that have been returned by the withdrawal of projects and do not give the Commission discretion to award more than the project's conditional funding determination.

The Commission is proposing to change its regulations to allow it to commit funding to projects that are making progress toward WSIP final funding and demonstrating a high likelihood of delivering WSIP-required public benefits. The change would allow the Commission to administer WSIP funds as quickly as possible, before costs escalate further, in order to maximize the public benefits that California is getting for their investment.

The Commission proposes modifying the WSIP regulations to allow the Commission to consider increasing the amount of WSIP conditional funding committed to a project on a case-by-case basis, as projects approach a final funding hearing, to account for inflation and increased benefits. The Commission also has the opportunity to "right-size" the State's investment in a project by looking at economic factors that may have influenced the value of the benefits in which the State is investing.

OPPORTUNITIES FOR INPUT

The Commission acknowledges the limited time for comment on emergency regulations and will ensure staff are available to discuss the regulation change prior to the opening of the official comment period.

The Commission invites Tribal and public comment at all of its regularly scheduled public meetings. Those unable to attend in person may comment remotely or submit written comment to:

California Water Commission
P.O. Box 924836 Sacramento, CA 94236

To receive updates about this regulation change, or to discuss this regulation change prior to the opening of the official public comment period, please contact Commission staff at:
cwc@water.ca.gov.

HOW IS THIS ACCOMPLISHED?

Under Proposition 4, the Commission can seek to modify its regulations through an emergency rulemaking process. The Commission will open a 5-day comment period, then Commission staff will bring the regulations before the Commission for approval at a scheduled meeting. Public comment is welcome at the meeting.

Upon Commission approval, the regulations will be filed with the Office of Administrative Law (OAL). The OAL has 10 days to review, five days of which will be a comment period, before filing the regulations with the Secretary of State, at which point the regulations will be effective.



TRIBAL ENGAGEMENT

In 2023, the Commission adopted a **California Native American Tribal Leadership Comment Policy**, acknowledging the sovereign status of Tribes and recognizing that Tribal Leaders are more than interested parties, members of the public, or an ethnic group.

The intent of the policy is to show appropriate respect to elected Tribal Leaders and delegated Tribal representatives to contribute their unique perspectives and knowledge to the water management issues in which the Commission engages.

Per the policy, comments by elected Tribal leaders and formally designated representatives of California Native American Tribes will be taken first, prior to public comment.