

Date of Hearing: April 23, 2026

ASSEMBLY COMMITTEE ON WATER, PARKS, AND WILDLIFE

Diane Papan, Chair

AB 1972 (Patterson) – As Amended March 17, 2026

SUBJECT: Water right permits and licenses: annual fee: exemption

SUMMARY: Exempts an entity that holds a water right for a pond that holds 20 acre-feet (AF) or less of water from paying annual water right fees assessed by the State Water Resources Control Board (State Water Board).

EXISTING LAW:

- 1) Establishes the State Water Board (Water Code § 175 *et seq.*) to administer California's water rights system (Water Code § 1050 *et seq.*). Authorizes the State Water Board to issue water rights (Water Code § 1250 *et seq.*), collect data on water use under water rights (Water Code § 5100 *et seq.*), enforce water right violations (Water Code § 1845 *et seq.*), and enforce the water right priority system (Water Code § 1450 *et seq.*), among other powers.
- 2) Authorizes the State Water Board to assess various water right fees to pay for its administration of the water rights system (Water Code § 1525 *et seq.*).
- 3) Authorizes the State Water Board to cancel an application, registration, petition, request, statement, or claim if any fees are not paid or to refer the matter to the California Department of Tax and Fee Administration for collection of the unpaid fee [Water Code § 1535(b)].
- 4) Permits the owner of a livestock stockpond constructed prior to January 1, 1969 to file for and obtain a water right through December 31, 1997 (Water Code § 1226.1).
- 5) Permits the State Water Board to issue a certificate granting a right to appropriate water for small domestic, small irrigation, or livestock stockpond uses if an applicant submits a complete registration, pays required fees, and meets other requirements (Water Code § 1228.1). Provides that a registration for small domestic, small irrigation, or livestock stockpond uses shall expire after five years unless renewed (Water Code § 1228.4).
- 6) Requires a water right holder to pay an annual fee of \$350 plus an additional fee of \$0.12 for each AF above ten authorized to be diverted under the water right [23 California Code of Regulations (CCR) § 1066].
- 7) Requires a holder of a livestock stockpond registration to pay an application fee of \$250 and an annual fee of \$100. Caps annual fees at \$500 for an individual who holds more than five livestock stockpond registrations (23 CCR § 1068).

FISCAL EFFECT: Unknown. This bill is keyed fiscal.

COMMENTS:

- 1) **Purpose of this bill.** According to the author, this bill exempts water rights associated with ponds with less than 20 AF of capacity from annual fees because of the other benefits that ponds can provide to the environment and community:

Small ponds are a boon to our communities and our environment. Ponds are used recreationally, for swimming, fishing, and other community-building activities. They strengthen local environments, encourage biodiversity and provide water for a variety of animals. They provide airborne fire crews with thousands of gallons of water to battle wildfires.

These, and other benefits that small ponds offer, are put at risk by California's current fee structure. Small pond owners bear a disproportionate burden, paying fees for 10 [AF] ponds that are nearly as high as those paid for 100 [AF] ponds. This cost is not only despite the much smaller size of these ponds, but also that they remain dry for large parts of the year.

The author has at least one constituent that holds two water rights for stockponds (one with a storage capacity of 4.5 AF and one with a storage capacity of 8.5 AF) who asserts that the current annual fees for these water rights are unreasonable given the other public benefits provided by the stockponds.

- 2) **Background.** Stockponds are small pools of water in agricultural or open space settings traditionally used to water livestock (cattle, sheep, goats or horses). Stockponds generally hold less than 10 AF of water and consist of impoundments with small earthen levees or berms to contain water. As ranching has evolved and changed over the years, the use of stockponds has diminished, with ranchers choosing to use troughs or other watering methods. Still, the use of stockponds is a critical overall component to both the ranching industry and ecosystem. Stockponds also provide benefits such as wildlife habitat (particularly for amphibians), recreation (e.g., fishing), wildfire response (e.g., ponds can serve as a watering base for helicopter water drops on wildland fires), pest control, and improved water quality.

Stockpond water rights. Stockponds are a fairly common feature across rangelands and many were built decades ago and without a water right. The Legislature and State Water Board have taken many steps over the past 50 years to bring stockponds into the water right system. The State Water Board currently oversees three types of water rights for stockponds:

- Stockpond certificates. Enacted in 1974, Water Code § 1226 declares “that it is necessary and beneficial to the state to clear up many heretofore uncertain conditions of water rights which are the result of a large number of dams and other water impoundment structures which have been constructed for livestock watering use...” and establishes the stockpond certificate program. Under this program, landowners with a stockpond constructed before January 1, 1969 that holds 10 AF or less were granted a water right if they filed a claim with the State Water Board before December 31, 1997. There was no fee associated with obtaining a stockpond certificate. There are approximately 3,682 stockpond certificates.
- Livestock stockpond registrations. Registrations are for ponds that hold 10 AF or less annually and have been offered since January 1, 1989 as an expedited pathway to acquire a water right for a stockpond. Registrations last for a term of up to five years and can be renewed for additional five-year terms if the registrant meets conditions placed upon the registration, reports water use, and pays fees. There are approximately 418 livestock stockpond registrations.

- Permits and licenses. In some cases, there may be a standard permit or license associated with a stockpond. This situation generally applies only to stockponds with a capacity greater than 10 AF since the application and annual fees for such a right are higher than certificate or registration fees.

Annual water right fees. The holder of a standard license or permit must pay an annual fee of \$350 plus \$0.12 per AF above ten diverted under the permit or license. The holder of a livestock stockpond registration must pay an annual fee of \$100. Holders of a stockpond certificate are not subject to any fees. Holders of all three of these types of rights must report their annual water use to the State Water Board. These fees cover the cost of the State Water Board to administer the water right system and enforce violations of water rights.

- 3) **Policy Consideration.** There is anecdotal evidence that some landowners with stockponds have a standard permit or license rather than a stockpond certificate or livestock stockpond registration, but it is unclear how many water rights this bill would apply to and whether the fee revenue lost as a result of this bill would be detrimental to the State Water Board's ability to administer the water rights system. Given that there are other, low-cost pathways for landowners with stockponds to obtain a water right, the Committee may wish to consider whether it is judicious to enact the change in law proposed by this bill.
- 4) **Related legislation.** AB 448 (Eduardo Garcia) of 2019 would have granted a livestock stockpond owner a water right if the stockpond was built before January 1, 2019, held 10 AF or less, and the owner paid the State Water Board a fee not to exceed \$2,500. AB 448 was held in the Assembly Appropriations Committee.

AB 2357 (Dahle) of 2016 would have exempted from the State Water Board's annual measurement and reporting regulations water diversion and uses for livestock stockponds if the diversions are less than year-round. AB 2357 was held in the Senate Natural Resources and Water Committee.

AB 1905 (Alejo), Chapter 268, Statutes of 2014, permits up to two water right registrations for the same water storage facility and adds fire protection to the list of allowable uses for livestock stockponds.

AB 2483 (Nimmo), Chapter 140, Statutes of 1974, enacts the stockpond certificate program.

REGISTERED SUPPORT / OPPOSITION:

Support

None on file

Opposition

None on file

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