

ASSEMBLY THIRD READING  
AB 2260 (Connolly)  
As Amended May 18, 2026  
Majority vote

## SUMMARY

Creates a fourth water right registration, "small restoration use," that allows up to 20 acre-feet (AF) of water per year to be diverted and stored for fish and wildlife preservation and enhancement.

### Major Provisions

- 1) Creates an additional water right registration, "small restoration use," for issuance by the State Water Resources Control Board (State Water Board).
- 2) Defines "small restoration use" as any of the following uses of water in connection with a habitat project:
  - a) For native fish and wildlife preservation and enhancement not to exceed diversion to storage of 20 AF annually, including impoundment for incidental fire protection, recreational, or fish and wildlife purposes; and
  - b) For native fish and wildlife preservation and enhancement not to exceed direct diversion of 42,000 gallons per day up to a maximum of 20 AF annually.
- 3) Clarifies that "use for fish and wildlife preservation" includes the use of water for a storage and forbearance project or the release of stored water to enhance streamflow for the benefit of fish and wildlife.
- 4) Defines "storage and forbearance project" for purposes of this bill as a project in which a legal water user makes a binding commitment to reduce existing diversions for beneficial use at times of deficient streamflow in exchange for a new right to divert water during times of higher streamflow to support the same level of existing beneficial use.
- 5) Clarifies that for purposes of this bill a "binding commitment" may be accomplished by an instream flow dedication pursuant to Water Code Section 1707, a forbearance agreement, or a condition or term of a permit or license. Compliance with the binding commitment to reduce diversions under an existing right shall be made a condition of any small restoration registration issued in connection with a storage and forbearance project.
- 6) Provides that the State Water Board shall prioritize processing small restoration use registrations that are coupled with a petition for mandatory dedication to instream beneficial uses or wetlands habitat pursuant to Water Code Section 1707.
- 7) Requires a registration for small restoration use to be renewed prior to the expiration of the 5-year term of the registration.
- 8) Permits the State Water Board to adopt general conditions for small restoration use registrations.

## COMMENTS

Water right registrations have been offered by the State Water Board since 1989 and provide an expedited pathway for certain small projects (i.e., small domestic use, small irrigation use, and livestock stockponds) to acquire an appropriative water right. These registrations last for up to five years and can be renewed for additional five year terms if the registrant meets conditions placed upon the registration, reports their use, and pays fees. The maximum volume of water that can be diverted and stored under a registration is capped: 10 AF annually for small domestic use and livestock stockponds and 20 AF annually for small irrigation use.

According to the State Water Board, the process to apply for a water right registration proceeds as follows: "the State Water Board reviews the registration packet to ensure the submittal meets the criteria of the program. Once the review is complete, for small domestic use and livestock stockpond registrations, the State Water Board shares the registration with the Department of Fish and Wildlife (DFW) for an opportunity to develop special conditions, unless the special conditions or a waiver of conditions has already been received." For small irrigation use registrations, applicants must consult with DFW prior to submittal of a registration. After State Water Board review, the State Water Board may then issue a certificate of registration subject to any special conditions from DFW. In 2023, the State Water Board reported there were 1,004 small domestic registrations with a face value of 3,319 AF, 26 small irrigation registrations with a face value of 293 AF, and 363 livestock stockpond registrations with a face value of 1,767 AF that are active.

### **According to the Author**

The author points out that streamflow is vital for California's native fish and wildlife species and notes that during drought or summertime the lack of sufficient streamflow can threaten species, particularly aquatic species such as steelhead and salmon. In order to address this deficiency, restoration practitioners have devised arrangements to ensure there is adequate streamflow for fish species. Implementing these types of restoration projects at scale is challenging, however, because they may require a water right and the process to acquire a new water right can take many years. The author argues this bill will address this barrier to restoration through the creation of a more expedited pathway, a small restoration use water right registration, that involves a relatively small amount of water. The author maintains "by making this change, California will increase the pace of restoration projects that support healthy fish and wildlife populations, increase water supply certainty for communities, and improve drought resilience.

Further, the author contends this bill supports the goals in the Governor's "California Salmon Strategy for a Hotter, Drier Future" that calls on the State Water Board and DFW to "design and implement an initiative focused on the North Coast – a region well-suited to harmonizing water resiliency, streamflows, and true salmon strongholds – by transitioning communities toward drought-resilient, water-efficient infrastructure such as water tanks, ponds, and off-stream storage and recharge that improve instream flow for salmon."

### **Arguments in Support**

The California Salmon and Steelhead Coalition (Coalition) that consists of The Nature Conservancy, California Trout, and Trout Unlimited is the sponsor of this bill. The Coalition argues this bill will assist in making streamflow available for fish during the summer and periods of drought thereby improving the survival of fish and wildlife while also providing critical water supplies for communities, rural residents, and tribal nations. The Coalition asserts this bill will

make it easier to do projects with water users that take water during wet periods and store it in ponds or tanks so that the water user can reduce diversions during the summer or periods of drought and leave water instream for fish. A barrier to doing more of these types of projects is the need to obtain a new water right, a process that can take years. The Coalition contends this bill will eliminate this barrier by "creating a new pathway for obtaining water rights for small restoration projects."

### **Arguments in Opposition**

None on file.

## **FISCAL COMMENTS**

According to the Assembly Appropriations Committee, this bill has the following fiscal impact:

- 1) Limited-term costs of an unknown amount, likely in the low- to mid-hundreds of thousands of dollars, to the State Water Board (Water Rights Fund, General Fund) in staffing and contracting costs to develop general conditions for small restoration use registrations and develop environmental review documents (pursuant to the California Environmental Quality Act) related to the general conditions. Upon adoption of the general conditions, the State Water Board anticipates ongoing annual costs ranging from \$500,000 to \$750,000 (Water Rights Fund) for between two and three staff to process small restoration use registrations, depending on demand for the registrations. The State Water Board's ongoing costs may be recoverable via fees.
- 2) DFW notes the creation of a new water right registration may increase the workload of its regional water right coordinators but that these costs are likely absorbable.

The Legislative Analyst's Office recently warned of General Fund structural deficits of around \$35 billion per year in the 2027-28 fiscal year and ongoing.

## **VOTES**

### **ASM WATER, PARKS, AND WILDLIFE: 12-0-1**

**YES:** Papan, Jeff Gonzalez, Alanis, Alvarez, Bains, Bennett, Boerner, Caloza, Gallagher, Hart, Ward, Rogers

**ABS, ABST OR NV:** Ávila Farías

### **ASM APPROPRIATIONS: 11-0-4**

**YES:** Wicks, Aguiar-Curry, Calderon, Caloza, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache

**ABS, ABST OR NV:** Hoover, Dixon, Ta, Tangipa

## **UPDATED**

VERSION: May 18, 2026

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