
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 2260 (Connolly) - Water: restoration management: small restoration use

Version: May 18, 2026

Urgency: No

Hearing Date: August 3, 2026

Policy Vote: N.R. & W. 7 - 0

Mandate: No

Consultant: Ashley Ames

Bill Summary: This bill would create a “small restoration use” water right registration, which would allow up to 20 acre-feet (AF) of water per year to be diverted and stored for native fish and wildlife preservation and enhancement.

Fiscal Impact:

- The California Department of Fish and Wildlife (CDFW) estimates ongoing costs of \$759,000 in the first year and \$740,000 annually thereafter (General Fund) to review registration applications; perform iterative consultation with the applicant and agency staff; conduct site inspections when appropriate; analyze proposed bypass criteria, diversion infrastructure, and system-specific operations with respect to current hydrology, operations, and ecosystem conditions; carry out California Endangered Species Act (CESA) consultation and permitting associated with registrations; coordinate with various subject matter experts; develop mitigation measures to protect fish and wildlife resources; draft correspondence to the applicant and the State Water Board detailing any conditions on the registration; and track consultation and future registration renewal timelines.
- The State Water Board estimates costs of \$500,000 annually (Water Rights Fund) over an initial two-to-three-year period to develop general conditions for small restoration use registrations, and one-time contracting costs of \$1 million (General Fund) to develop the associated CEQA review documents. Upon adoption of the general conditions, the Board estimates up to \$750,000 annually (Water Rights Fund) to process small restoration use registrations, with the potential to be reduced to \$500,000 depending on demand. The registrations would generate an unknown amount of fee revenue, potentially in the thousands to low tens of thousands annually.

Background:

Water Rights Permitting Reform Act. Under current law, any person may obtain a right to appropriate water for a small domestic, small irrigation, or livestock stockpond use by registering the use with the State Water Resources Control Board (State Water Board) and then putting the water to reasonable and beneficial use, subject to certain conditions. “Small domestic use” is a direct diversion of 4,500 gallons/day or less or a diversion to storage of 10 acre-feet (AF) or less annually for domestic, aesthetic, fire protection, recreational, or fish and wildlife uses associated with a dwelling. “Small irrigation use” is a diversion to storage of 20 AF or less annually for irrigation, heat control, or frost protection uses or a direct diversion of 42,000 gallons/day or less or up to a maximum of 20 AF annually for irrigation use. “Livestock stock pond” use is a direct diversion of 4,500 gallons/day or less or diversion for storage of 10 AF or less

annually to a water impoundment structure constructed for livestock watering. Incidental aesthetic, fire protection, recreational, and fish and wildlife uses are also permitted as part of livestock pond use.

These 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 use, and pays fees. One of the required conditions is that the registration includes a certification that the registrant has contacted a representative of the California Department of Fish and Wildlife (CDFW) and has agreed to comply with conditions set forth by CDFW.

Current law also requires the State Water Board to establish general conditions to which all appropriations of water for small domestic, small irrigation, and livestock stockpond use are subject. The State Water Board adopted the general conditions for small irrigation use registrations on September 20, 2013 and for small domestic and livestock stockpond uses on January 27, 2014.

Proposed Law: This bill would:

1. Create an additional water right registration, “small restoration use,” for issuance by the State Water Board.
 - a. Define “small restoration use” as either of the following uses of water in connection with a project to restore, enhance, or provide habitat for native fish and life:
 - i. A use for native fish and wildlife preservation and enhancement not to exceed diversion to storage of 20 AF per year, as specified.
 - ii. A use 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 per year.
 - b. Specify that “use for native fish and wildlife preservation and enhancement” includes, but is not limited to, the use of water for a storage and forbearance project or the release of stored water to enhance streamflow for the benefit of native fish and wildlife.
 - c. Specify that “storage and forbearance project” is a project in which a legal user of water makes a binding commitment to reduce diversions under an existing right 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 uses under the existing right.
 - d. Specify that a “binding commitment to reduce diversions under an existing right” may be caused by an instream flow dedication, as specified, a forbearance agreement, or a condition or term of a permit or license. Require that compliance with a binding commitment to reduce diversions under an existing right be made a condition of any small restoration registration issued in connection with a storage and forbearance project.
2. Authorize more than one registration for small restoration use be in effect at any time for a registrant if the diversion or storage facilities subject to the registration do not exceed the ratio of one per 20 irrigated acres, and if the total water use on

all the acreage covered by the registrations, including any water use based on other rights, does not exceed 100 AF/year. This same authorization is provided for small irrigation use under existing law.

3. Authorize more than one registration for small restoration use be in effect at any time and at the same facility for a registrant if the total diversion or storage facilities subject to the small restoration use registrations do not exceed the ratio of one per 20 acres, and if the total water use on all acreage covered by the registrations, including any water use based on other rights, does not exceed 100 AF/year.
4. Subjects the initiation of rights to appropriate water for small restoration use to existing requirements regarding fully appropriated stream systems, which existing law also applies to small domestic use, small irrigation use, and livestock stockpond registrations.
5. Require the State Water Board to give priority to processing small restoration use registrations that are coupled with a petition for mandatory dedication to instream beneficial uses or wetlands habitat, as specified.
6. Apply existing registration renewal requirements for small domestic use, small irrigation use, and livestock stockpond registrations to small restoration use registrations.
7. Not require the State Water Board to adopt conditions for small restoration use until funds are available and would provide that registration for small restoration use is not authorized until the State Water Board establishes general conditions to protect instream beneficial uses. Existing law applies also applied this to small irrigation use registrations.
8. Authorize the State Water Board to establish general conditions for some methods of diversion or categories of small restoration use before establishing general conditions for other methods or categories, which in case small restoration use registration is authorized for those methods or categories. Existing law also applied this to small irrigation use registrations.
 - a. Exempt the adoption and revision of general conditions for small restoration use from the requirement to assess economic impacts and to prepare a standardized regulatory impact analysis.
9. Revert unused water back to the public and to be regarded as unappropriated public water if the person entitled to use the water fails to use all or part of the water beneficially for five years. Existing law also applies this reversion to small domestic use, small irrigation use, and livestock stockpond registrations.
10. Require a person who holds a small restoration use permit to pay an annual fee, as established by the State Water Board. This fee also applies to small domestic use, small irrigation use, and livestock stockpond registrations.
11. Exempt the person who diverts water pursuant to a small restoration use registration from having to file with the State Water Board a statement of their diversion and use. Existing law also exempts small domestic use, small irrigation use, and livestock stockpond registrations.

Related Legislation:

AB 717 (Aguiar-Curry, 2025) was similar to this bill and would have created a "small restoration use" registration that allows the use or diversion to storage of no more than 20 AF of water annually. The bill died in the Assembly Appropriations Committee.

AB 1024 (Aguiar-Curry, 2023) would have exempted water right registrations for small domestic use, small irrigation, or livestock stockpond in specified northern and central California counties from lake or streambed alteration agreement requirements. The bill died in this committee.

AB 1420 (Aguiar-Curry, 2017) was substantially similar to AB 1024 of 2023. The bill died in this committee.

AB 1704 (Dodd, 2016) would have required the State Water Board to adopt general conditions for small irrigation uses by January 1, 2018, as specified. The bill died in this committee.

AB 964 (Huffman, Chapter 579, Statutes of 2011) authorizes any person to obtain a right to appropriate water for a small irrigation use, as defined, upon registering the use with the State Water Board and applying the water to reasonable beneficial use.

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