

Date of Hearing: April 29, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 2322 (Papan) – As Amended April 6, 2026

Policy Committee: Environmental Safety and Toxic Materials Vote: 5 - 2

Urgency: No State Mandated Local Program: No Reimbursable: No

SUMMARY:

This bill defines "commercial, industrial, or institutional site" for purposes of issuing permits for the discharge of stormwater from municipal separate storm sewer systems (MS4s).

Specifically, the bill defines "commercial, industrial, or institutional site" (CII) or "CII site" as a privately owned parcel or contiguous parcels of land that are CII-based on county tax assessor land use codes. For parcels with mixed-use commercial and residential land use codes, the bill defines a CII site as the CII portion of the mixed land use parcel, and provides that a CII site shall not include residential facilities of any type, including those located within a parcel assigned the land use category of mixed use.

FISCAL EFFECT:

The State Water Resources Control Board (State Water Board) estimates minor and absorbable costs to the State Water Board and the Regional Water Quality Control Boards (Regional Water Boards).

The State Water Board asserts that existing MS4 permits do not regulate CII discharges and generally do not include a definition of CII sites, so there is nothing to update or standardize across permits. The definition of CII site this bill utilizes is drawn from the Los Angeles Regional Water Quality Control Board's draft CII permit, which is being promulgated under residual designation authority for CII sites, not as (or under the authorities of) an MS4 permit.

COMMENTS:

1) **Purpose.** According to the author:

AB 2322 establishes a single, statewide definition of [CII] facilities for municipal stormwater permits using existing county land use codes. Cities and counties currently operate under stormwater permits (MS4 permits) that require them to identify and inspect businesses and ensure stormwater controls are installed when sites are built or redeveloped. However, these existing permits rely on different MS4 permittees' interpretations of what is considered a regulated facility. As a result, identical businesses can face different inspection expectations and compliance requirements depending solely on where

they operate. For example, a car wash may be included in one city's program but not in a neighboring jurisdiction.

AB 2322 fixes this inconsistency by providing an objective, uniform standard that can be applied consistently across California. For businesses, that means clearer rules, more predictable planning, and a fair, level playing field statewide.

- 2) **Background. *National Pollutant Discharge Elimination System (NPDES) Permit Program.*** As authorized by the federal Clean Water Act, the NPDES Permit Program controls water pollution by regulating point sources – discrete conveyances such as pipes, or human-made ditches – that discharge pollutants into waters of the U.S. In California, implementation of the NPDES Permit Program is delegated to the State Water Board and nine Regional Water Boards, which maintain regional jurisdiction within boundaries that are based on major watersheds and ensure compliance with permits through inspections, monitoring report reviews, and enforcement actions. Because of their propensity to contain and mobilize pollutants, stormwater discharges are regulated through NPDES permits. The State Water Board oversees three NPDES stormwater programs: the Industrial Stormwater Program, Construction Stormwater Program, and Municipal Stormwater Program.

Municipal Stormwater Program: The State Water Board regulates stormwater discharges from MS4s. The U.S. Environmental Protection Agency defines an MS4 as a conveyance or system of conveyances, including roads with drainage systems, municipal streets, catch basins, curbs, gutters, ditches, human-made channels, or storm drains. According to the California Coastkeeper Alliance (CCKA), the sponsor of this bill, the state's 12 MS4 stormwater permits each include requirements mandating stormwater capture whenever new development or significant redevelopment occurs to reduce polluted runoff from newly created impervious surfaces before the runoff reaches waterways. CCKA notes (contrary to the State Water Board's assertion – see fiscal) that despite sharing the same purpose, each MS4 permit defines CII differently – creating serious problems for implementation. CCKA writes, "A facility in one jurisdiction may be required to install stormwater capture while an identical facility in an adjacent county faces no such obligation," and that municipalities struggle to determine which facilities within their jurisdiction are subject to post-construction requirements, challenging consistent enforcement.

This bill establishes a single, uniform statewide definition of CII site, grounded in county tax assessor land use codes. CCKA writes, "Importantly, AB 2322 does not expand the substantive scope of existing post-construction requirements; it simply standardizes which facilities those requirements cover." The author may wish to work with the State Water Board to come to a shared understanding about the interaction between the definition of CII and CII sites and the state's current MS4 permits.

- 3) **Related Legislation.** AB 1313 (Papan) of the current legislative session requires, among other things, the State Water Board to establish, as provided, a CII NPDES order for properties with five acres or more of impervious surface. AB 1313 died on the Assembly Inactive File.