

Date of Hearing: May 6, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 2447 (Bauer-Kahan) – 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 directs the State Water Resources Control Board (State Water Board) to require the Regional Water Quality Control Boards (Regional Water Boards) to update the Irrigated Lands Regulatory Program (ILRP) to reduce nitrogen waste discharges from commercial irrigated agricultural lands.

Specifically, this bill, among other things:

- 1) Directs the State Water Board to require the Regional Water Boards to update the ILRP to reduce nitrogen waste discharges from commercial irrigated agricultural lands (as defined) so that by January 1, 2030, those lands do not cause or contribute to either (a) exceedances of the maximum contaminant level (MCL) for nitrate, as specified, for waters designated for municipal and domestic supply and (b) exceedances of a water quality objective or total maximum daily load (TMDL) for nitrate, as set forth in applicable approved basin plans.
- 2) Requires, on or before January 1, 2028, Regional Water Boards to adopt revised orders with waste discharge requirements (WDRs) sufficient to meet the reductions in nitrogen waste discharge described above and requires the orders to include both (a) quantitative limits on nitrogen fertilizer application and nitrogen discharge implemented through an adaptive irrigation and nutrient management plan designed to minimize nitrogen discharge and (b) sufficient procedures to ensure compliance with the quantitative limits, as specified, and authorizes these orders to include any of five specified elements, provided these elements are designed to meet the nitrogen waste discharge reductions described above.
- 3) Authorizes the State Water Board, consistent with existing law and regulations, to adjust its fee schedule for the ILRP to cover the cost of the State Water Board and Regional Water Boards in implementing the update to the ILRP pursuant to this bill and prohibits any adjustment to the fee schedule from including discounts on a per-acre basis for larger farms, which have the effect of smaller farms paying higher per-acre fees than larger farms.
- 4) Requires, on or before July 1, 2027, the State Water Board to publish both a list of standardized crop names and categories, and a statewide methodology for calculating, and field-level reporting of, nitrogen balances for croplands, that account for available soil nitrogen, to be used by the Regional Water Boards and incorporated into the orders described above, as specified.

- 5) Requires, on or before January 1, 2031, the State Water Board, in coordination with the Regional Water Boards, to submit a report to the Legislature on progress achieved in implementing this bill, as specified.

FISCAL EFFECT:

Significant ongoing costs, likely in the millions to tens of millions of dollars annually, for the State Water Board and the Regional Water Boards to update the ILRP, adopt revised orders with WDRs sufficient to meet specified nitrogen waste discharge reductions, revise and implement compliance and enforcement mechanisms, and other necessary tasks (Waste Discharge Permit Fund (WDPF) and General Fund).

For its part, the State Water Board estimates annual costs of approximately \$136 million for the first three years followed by approximately \$133 million in ongoing annual costs for over 500 new staff, as well as significant contracting costs of an unknown amount for significant translation and interpreter services, IT resources, and scientific analysis (WDPF and General Fund). According to the State Water Board, staff must update the ILRP, regulations, and basin plans; enroll and permit growers on an individual basis; prepare the required list of standardized crop names and additional information; assist with translation and interpretation services; conduct significant public engagement, inspections, and enforcement; collect and administer fees; and manage administrative workload.

A significant assumption made by the State Water board in developing this estimate is an anticipated dissolution of third-party agricultural water quality coalitions that currently assist their members in complying with state water quality laws. The State Water Board argues these coalitions are likely to dissolve because of the new regulatory approach in the bill and due to being unable to comply with revised WDRs designed to reduce nitrogen waste and eliminate nitrate exceedances on commercial irrigated agricultural lands by January 1, 2030. Without these water quality coalitions, the Regional Water Boards (most significantly, the Central Valley Regional Water Board) must substantially increase their regulation and oversight of tens of thousands of dischargers over millions of acres of land. These costs may decrease over time if a subset of agricultural operations is no longer commercially viable.

The committee notes there is nothing in the bill that calls for the dissolution of grower coalitions, nor does the bill explicitly require individual permitting of growers.

The Water Code requires each person who discharges waste or proposes to discharge waste that could affect the quality of the waters of the state to file a report of waste discharge with the appropriate Regional Water Board and to pay an annual fee set by the State Water Board, the funds from which are to be deposited in the WDPF. Current law requires the State Water Board to adopt, by emergency regulations, an annual schedule of fees for persons discharging waste to the waters of the state and adjust these fees annually to conform to the revenue levels set forth in the Budget Act. This bill authorizes the State Water Board to adjust this fee schedule to pay for its and the Regional Water Boards' costs of implementing this bill. It is not clear the extent to which increased fees will be sufficient to cover the entirety of these costs on an ongoing basis.

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.

COMMENTS:

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

California officials have been aware of the dangers of nitrogen pollution since the 1960s and more than two decades ago, the State Water Board created the Irrigated Lands Regulatory Program to address the overapplication of such fertilizers. This program, however, is not working and wells continue to test above safe drinking water thresholds and upwards of 600,000 predominantly low-income families currently lack access to safe drinking water. Nitrate contaminated drinking water has been linked to blue baby syndrome, higher rates of leukemia, lymphoma, and childhood brain cancers. This same polluted runoff goes into lakes and rivers, fueling harmful algal blooms that sicken children and animals and threaten important species in our environment.

This bill takes important steps to ensure all Californians have access to clean water by directing state officials to establish clear limits on how much nitrogen fertilizer can be applied and encourages the adoption of sustainable farming practices that reduce this pollution.

2) **Background.** To prevent agricultural discharges from impairing the waters that receive these discharges, the ILRP, overseen by the State Water Board, regulates discharges from irrigated agricultural lands. The State Water Board and Regional Water Boards issue WDRs or conditional waivers of WDRs to growers (collectively referred to as “orders”). Due to regional diversity of farm practices, hydrogeology, and other factors, each Regional Water Board adopts its own order to protect water quality from agricultural practices. Over 29,000 farm operations with over six million acres are enrolled in the ILRP.

In 2025, the State Water Board convened a “second statewide agricultural expert panel” to address several specific questions related to regulating and controlling nitrate discharge to groundwater in the ILRP. The panel released its draft recommendations in March 2026 and expects to release its final recommendations later this year. For a more detailed discussion and history of the state’s regulation and management of nitrogen pollution, the ILRP, the second expert panel, and other related topics, please see the Assembly Environmental Safety and Toxic Materials Committee’s analysis of this bill.

3) **Support and Opposition.** Writing in support, a coalition of environmental and environmental justice organizations describe the many environmental and public health consequences of nitrogen pollution and argue this bill adds deadlines to an existing nitrogen management program and directs the State Water Board to coordinate with Regional Water Boards to “update their programs with science-based guidelines on nitrogen fertilizer use and discharge while also encouraging the use sustainable farming practices.” The coalition asserts this bill “fills a gap in existing regulations that policymakers have been trying to address for nearly 30 years,” and that while some state programs rely on voluntary efforts to reduce nitrogen pollution, on their own, these efforts do not work fast enough. By strengthening California’s existing nitrogen management program, the groups argue this bill “will spur more farmers to use healthy soils practices, help achieve sustainable groundwater quality targets, protect ecosystems, and provide a long-term drinking water solution for communities.”

Writing in opposition, a coalition of agricultural organizations argues, among many other things, that the ILRP has enrolled more than 30,000 farms and ranches, covering millions of irrigated acres and 89% of irrigated farmland in the state. The group notes that, in some regions, third-party coalitions help to administer these programs and coordinate efforts amongst vast agricultural acreages and that, to date, “substantial progress has been made by growers, coalitions and other third-party groups in all facets of ILRP.” The coalition further argues this bill effectively prejudices and overrides the “time-intensive, objective, technical process” of the aforementioned expert panel by “imposing prescriptive statewide mandates before scientific consensus and feasibility determinations are complete.” The organizations assert that it is nearly impossible for all of California agriculture to comply by the timelines in the bill and that farmers are not equipped to bear the costs of an entirely new water quality control program and new fees.

In its letter, the opposition cites an Environmental Impact Report (EIR) from the Central Valley Regional Water Board for the ILRP as proposed in the Central Valley. As part of the EIR, the regional board prepared an economic impact analysis of the regulatory alternatives, one which included a program similar to that envisioned in this bill. According to that analysis, the regional board concluded it would need over 400 new positions to implement a program that required individual grower reporting to the board.

Also writing in opposition, Thomas Harter, a professor at the University of California, Davis, and member of the aforementioned expert panel, argues, among other things, that the bill enforces a “scientifically outdated, overly simplified approach to nitrate control across the State of California,” that the bill “reverses and turns on its head “two decades of efforts by the agricultural industry, environmental NGOs, environmental justice NGOs, and several state agencies to regulate nitrate discharge from agricultural lands,” and that the timeline in the bill “would potentially lead to a near-instant collapse of California's agricultural production and simultaneously leave behind – and do nothing about – a massive legacy of nitrate pollution that would linger for another century or longer.”

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