Date of Hearing: May 6, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS
Buffy Wicks, Chair
AB 2521 (Papan) – As Amended April 15, 2026

Policy Committee: Water, Parks and Wildlife Vote: 8 - 0

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

SUMMARY:

This bill requires the Department of Water Resources (DWR) to select two watersheds to conduct a watershed-wide water availability study and requests that the California Council on Science and Technology (CCST) complete a study of water availability in the watersheds selected by DWR.

Specifically, this bill:

1) Requires DWR, in consultation with the State Water Resources Control Board (State Water Board) and the Department of Fish and Wildlife (CDFW), to select, by January 1, 2028, two watersheds that are within, or drain into, the Central Valley to conduct a watershed-wide water availability study.

2) Requests that CCST, in consultation with DWR and the State Water Board, subject to an appropriation by the Legislature for this purpose, complete a comprehensive study of water availability in the watersheds selected by DWR and requires the study to do the following:

    a) Determine daily flow rates in rivers, streams, and creeks in the watersheds over the past 30 years to the extent data is available.

    b) Quantify the maximum allowable diversions under existing permits, licenses, and claims in the watersheds.

    c) Quantify water actually diverted under existing permits, licenses, and claims in the watersheds over the past 30 years to the extent data is available.

    d) Identify and quantify any water quality or environmental flow requirements, including water quality requirements under licenses from the Federal Energy Regulatory Commission, in rivers, streams, and creeks in the watersheds.

    e) Determine when and under what conditions water is available in excess of existing claims and regulatory requirements.

3) States the intent of the Legislature that the study completed pursuant to this bill will serve as the water availability analysis for future applications to the State Water Board for standard or temporary permits for diversion of water to underground storage in the watersheds selected by DWR.

FISCAL EFFECT:

1) DWR anticipates costs to select watersheds and consult with CCST to be relatively minor, primarily because the department is already actively engaged in conducting watershed studies, which provide a basis for strategies that state, federal, and local agencies can use to better coordinate, prepare for climate extremes, and safeguard communities, farms, and ecosystems into the future.

   For example, DWR's San Joaquin Basin Flood-MAR Watershed Studies cover the Calaveras, Stanislaus, Tuolumne, Merced, and Upper San Joaquin watersheds and evaluate how the basin can better manage water resources in extreme wet years and long dry periods. DWR utilized eight different models to develop the watershed studies for the San Joaquin Basin, which generated more than eight million data points.

   While these studies do not juxtapose water that may be available in the watershed to the uses and desired uses of water – which would be pertinent to using this information for future underground storage permits – DWR notes they could serve as a starting point for CCST's comprehensive study.

2) State Water Board estimates ongoing annual General Fund costs of about $500,000 to consult and coordinate with DWR and CCST. State Water Board notes it would first need to assist CCST with understanding information related to water right permits, licenses, and claims and help ensure the study produces information that could potentially be used in future permit applications. After the release of the study, State Water Board anticipates ongoing work to assist applicants in making use of the study – and the resulting water availability analysis – in their applications to the board for standard or temporary permits for diversion of water to underground storage in the watersheds selected by DWR.

3) CCST estimates a one-time General Fund cost of about $1.5 million for an 18-month study of two watersheds. CCST receives funding from a variety of sources, such as philanthropic foundations, public and private higher education institutions, federally funded research institutions, the state, investment income, and donations from individuals. CCST reported $8.4 million in revenues in 2025.

4) CDFW anticipates costs to consult with CCST are minor and 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.

COMMENTS:

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

> While progress is being made to expedite permitting processes for groundwater recharge, we are not getting the job done. One key hang-up is determining when there is water in excess of what is necessary to satisfy existing water rights and regulatory requirements that can be diverted for recharge. This bill will alleviate this choke point by calling for the completion of a watershed-wide water availability analysis that water right applicants can use to determine how much

and when water is available for recharge. This programmatic approach to groundwater recharge will help us meet our ambitious goals and make us more climate resilient.

2) **Background.** ***Groundwater Recharge.*** Groundwater is an important source of supply for California's communities, economy, and diverse natural resources. Recharge occurs naturally when it rains and when water moves through rivers, streams, and creeks. It can also occur through active management when individuals or agencies divert water from a waterway to farmland or a settling basin where the water can gradually percolate down into the aquifer. Interest in expanding groundwater recharge has increased since the passage of the Sustainable Groundwater Management Act in 2014, and the importance of groundwater recharge is recognized in numerous state plans and strategies.

A water right or permit is required to capture water during high-flow or flood events and store it for later use. A permanent right takes considerable time and resources to obtain; as a result, many entities interested in groundwater recharge have pursued a temporary (180-day) permit instead. Whether pursuing a permanent (a process that can take more than seven years) or temporary permit, stakeholders have expressed frustration with the permitting process for groundwater recharge.

Water Availability Analysis. A water availability analysis is a necessary part of any water right application and helps to determine whether there is water available to be diverted from the stream, river, or water body subject to the application.

The Assembly Water, Parks, and Wildlife (WPW) Committee notes it recently held an outcomes review informational hearing on AB 658 (Arambula), Chapter 678, Statutes of 2019, and heard testimony from several permittees about their experience obtaining and implementing the five-year permit to recharge groundwater established by AB 658. Among other issues, the permittees testified that the cost of the water availability analysis was a barrier to obtaining a five-year permit and some of the witnesses stated they would not have pursued a permit if they had not received financial support from DWR to complete the necessary water availability analysis. Witnesses indicated that a water availability analysis for a five-year permit costs around $50,000. According to the WPW Committee, one of the goals of this bill is to relieve permittees of this cost by requiring a watershed-wide water availability analysis that can be used in the permitting process for a groundwater recharge project.

CCST. CCST is a non-partisan, nonprofit organization established by the Legislature in 1988. CCST convenes experts from the state's academic and research institutions and responds to the Governor, the Legislature, and other state entities who request independent and objective assessment of public policy issues affecting the state relating to science and technology. CCST's publications undergo a rigorous study and peer review process. CCST has published reports on a wide variety of topics, such as underground natural gas storage, biomethane, orphan wells, fumigant use in CA and an assessment of alternatives, the state's energy future, and reports on wildfire smoke and economic impacts.

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