SENATE THIRD READING
SB 454 (McNerney)
As Amended May 23, 2025
Majority vote

SUMMARY

Creates the PFAS Mitigation Fund (Fund), and authorizes, upon appropriation by the Legislature, moneys deposited into the Fund to be available for the State Water Resources Control Board (State Water Board) to expend for the treatment of perfluoroalkyl and polyfluoroalkyl substances (PFAS) in drinking water, wastewater, and recycled water.

Major Provisions

1) Creates the Fund in the State Treasury, and authorizes, upon appropriation by the Legislature, moneys deposited into the Fund to be available for the State Water Board to expend consistent with the purposes of this bill.

2) Authorizes the State Water Board to seek out and deposit nonstate, federal, and private funds into the Fund, and to establish accounts within the Fund.

3) Authorizes the State Water Board to expend moneys from the Fund in the form of a grant, loan, or contract, or to provide technical assistance services to water suppliers and sewer system providers for one or more specified purposes related to the remediation of PFAS in drinking water.

4) Provides that eligible expenditures from the Fund include, but are not limited to, all of the following:

    a) Construction of a new treatment facility or to upgrade an existing treatment facility that addresses PFAS contamination;

    b) Infrastructure related to monitoring PFAS; and,

    c) The costs associated with planning, design, and infrastructure for eligible projects.

5) Requires the State Water Board to adopt guidelines to implement the provisions of this bill.

COMMENTS

Perfluoroalkyl and polyfluoroalkyl substances (PFAS): PFAS are synthetic, highly fluorinated substances that have been widely used in industrial and consumer applications for their heat, water, and lipid resistance properties for more than seven decades. During production, use, and disposal, PFAS can migrate into the soil, water, and air. Some PFAS are volatile, and can be carried long distances through the air, leading to contamination of soils and groundwater far from the emission source. Researchers have found PFAS in indoor and outdoor environments, plants, soil, food, drinking water, wildlife, companion animals, production animals, and humans at locations across the nation and around the globe. PFAS are extremely persistent and degrade very slowly over time, which has resulted in their accumulation in the environment since the onset of their production in the late 1940s. Currently, nearly 15,000 PFAS chemicals are

included in the chemicals database CompTox, which is maintained by the United States Environmental Protection Agency (US EPA).

Hazard traits of PFAS: According to the US EPA, current peer-reviewed scientific studies have shown that exposure to certain levels of PFAS may lead to: reproductive effects such as decreased fertility or increased high blood pressure in pregnant women; developmental effects or delays in children, including low birth weight, accelerated puberty, bone variations, or behavioral changes; increased risk of some cancers, including prostate, kidney, and testicular cancers; reduced ability of the body's immune system to fight infections, including reduced vaccine response; interference with the body's natural hormones; and, increased cholesterol levels and/or risk of obesity. In addition to direct human health impacts, some PFAS may have high global warming potential. Also, several PFAS bioaccumulate significantly in animals or plants and emerging evidence points to their phytotoxicity, aquatic toxicity, and terrestrial ecotoxicity.

PFAS in drinking water: According to the United States (U.S.) Geological Survey, "Exposure to PFAS through drinking water is a global human-health concern." PFAS in drinking water is an escalating issue due to the persistence of PFAS chemicals in the environment and their tendency to accumulate in groundwater. Currently, at least 45% of the nation's tap water is estimated to have one or more types of PFAS, according to a 2023 study by the U.S. Geological Survey that tested for the presence of 32 types of PFAS. Since there are more than 15,000 types of PFAS, not all of which can be detected with current tests, the levels of PFAS in American tap water can be assumed to be even higher than the levels detected in the U.S. Geological Survey study.

Recent action on PFAS in drinking water: On April 10, 2024, under the administration of Joseph R. Biden, Jr., the US EPA announced final national drinking water regulations for PFAS that established legally enforceable maximum contaminant levels (MCLs) for six PFAS in drinking water and for several PFAS mixtures containing specified PFAS in drinking water. The US EPA also finalized health-based, non-enforceable maximum contaminant level goals for these PFAS. The US EPA gave public water systems until 2029 to comply with the PFAS MCLs.

On May 14, 2025, under the administration of Donald Trump, the US EPA announced its intent to extend the compliance deadlines for two PFAS chemicals, and to establish a federal exemption framework for others. Additionally, the US EPA announced its intent to rescind the regulations and reconsider the regulatory determinations for PFAS chemicals. Since the federal Safer Drinking Water Act (SDWA) includes a provision meant to prevent new rules from weakening previous rules, it is unclear whether or how the Trump administration can roll back or rescind the current PFAS regulations.

In California, the State Water Board administers the federal and state SDWAs. According to the State Water Board, for California, the development of standards for PFAS are among the priorities of the State Water Board's Division of Drinking Water.

Costs for mitigation of PFAS in water: According to the US EPA, "The [US EPA] estimates the costs for public water systems and primacy agencies to implement [the April 10, 2024, PFAS] regulation are approximately $1.548 billion per year. These costs include water system monitoring, communicating with customers, and if necessary, obtaining new or additional sources of water or installing and maintaining treatment technologies to reduce levels of the six PFAS in drinking water. The estimated costs also include the costs to dispose of drinking water treatment residuals. The [US EPA] estimates 4,100 – 6,700 public water systems serving 83 -

105 million people will be required to take action to address PFAS above the regulatory standards."

Following US EPA's establishment of MCLs for six PFAS chemicals, the Orange County Water District (OCWD) stated, "PFAS contamination remains OCWD's top priority—it's a significant and costly challenge. The estimated cost of addressing PFAS in Orange County over the next 30 years is approximately $1.8 billion."

This bill: This bill creates the Fund in the State Treasury, and authorizes, upon appropriation by the Legislature, moneys deposited into the Fund to be available for the State Water Board to expend in the form of a grant, loan, or contract, or to provide technical assistance services to cover or reduce the costs for water suppliers associated with treating drinking water, including recycled water, to meet the applicable state advisory levels and applicable state and federal maximum PFAS contaminant levels; cover or reduce the costs for sewer system providers associated with treating wastewater or recycled water to reduce or remove PFAS; cover or reduce the costs for sewer system providers to meet applicable PFAS standards; cover or reduce the costs for water suppliers or sewer system providers associated with proper disposal of PFAS contamination after treating drinking water supplies, recycled water, or wastewater; and, cover any other costs an applicant claims are associated with the removal of PFAS in drinking water, recycled water, and wastewater.

According to the Author
"California has banned PFAS in consumer products ranging from food packaging and cosmetics to children's cribs and playpens. But PFAS has been used in thousands of products during the past eight decades, so forever chemicals have contaminated a substantial portion of our drinking water. SB 454 would create a much-needed funding tool to help local agencies pay for PFAS cleanup, while also helping protect ratepayers from higher costs."

Arguments in Support
According to a coalition of supporters, including the Association of California Water Agencies (ACWA) and the League of California Cities,

> "Public water agencies are responsible for delivering safe, clean, and affordable drinking water throughout California. To fulfill that responsibility, public water agencies must comply with federal and state drinking water standards, including PFAS drinking water standards. Drinking water standards can have significant financial impacts on public water agencies, which are passed on to ratepayers and ultimately, impact water affordability.
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> In April 2024, the [US EPA] established new national, legally enforceable maximum contaminant levels (MCL) of 4.0 parts per trillion for PFOA and PFOS as individual contaminants. Public water agencies are required to comply with these MCLs by 2031. [US EPA] estimated that the nationwide cost for public water agencies to comply with the PFAS MCLs will be between $772 million and $1.2 billion annually.
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> This year, the [State Water Board] is expected to initiate a formal rulemaking process to set a PFAS drinking water standard… With California's MCL anticipated to be at least as protective as the federal MCL, the costs associated with treating California's water supplies will be significant.

SB 454, which would become operative upon appropriation by the Legislature, proposes the establishment of a PFAS Mitigation Fund to leverage continuously appropriated current and future nonstate, federal, and private funding for the State Water Board to help local public agencies in addressing costs associated with treating for PFAS and in ensuring the availability of safe and affordable drinking water for communities."

Arguments in Opposition
None on file.

FISCAL COMMENTS

According to the Assembly Appropriations Committee, should this bill be enacted, the State Water Board will likely incur significant costs, potentially in the hundreds of thousands to low millions of dollars annually, to establish and administer the Fund. The Assembly Appropriations Committee also asserts that enactment of this bill will likely result in ongoing cost pressures of an unknown but significant amount, likely in the millions of dollars, to fund the mitigation of PFAS contamination.

VOTES

SENATE FLOOR: 37-0-3
YES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, McGuire, McNerney, Menjivar, Niello, Ochoa Bogh, Padilla, Pérez, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener
ABS, ABST OR NV: Cervantes, Limón, Reyes

ASM ENVIRONMENTAL SAFETY AND TOXIC MATERIALS: 7-0-0
YES: Connolly, Ellis, Bauer-Kahan, Castillo, Lee, McKinnor, Papan

ASM APPROPRIATIONS: 15-0-0
YES: Wicks, Sanchez, Arambula, Calderon, Caloza, Dixon, Elhawary, Fong, Mark González, Ahrens, Pacheco, Pellerin, Solache, Ta, Tangipa

UPDATED

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