Office of Senate Floor Analyses

(916) 651-1520 Fax: (916) 327-4478

UNFINISHED BUSINESS

Bill No: SB 639 Author: Ashby (D) Amended: 7/17/25

Vote: 21

SENATE NATURAL RES. & WATER COMMITTEE: 6-0, 4/8/25

AYES: Limón, Seyarto, Allen, Hurtado, Laird, Stern

NO VOTE RECORDED: Grove

SENATE LOCAL GOVERNMENT COMMITTEE: 7-0, 4/30/25 AYES: Durazo, Choi, Arreguín, Cabaldon, Laird, Seyarto, Wiener

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

SENATE FLOOR: 34-0, 5/15/25 (Consent)

AYES: Allen, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Hurtado, Jones, Laird, Limón, McGuire, McNerney, Menjivar, Niello, Ochoa Bogh, Pérez, Richardson, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener

NO VOTE RECORDED: Alvarado-Gil, Cervantes, Grove, Padilla, Reyes, Rubio

ASSEMBLY FLOOR: 79-0, 9/3/25 - See last page for vote

SUBJECT: Zoning: Sacramento-San Joaquin Valley

SOURCE: Author

DIGEST: This bill extends the deadline for the Natomas subarea of the City of Sacramento, the Beach Lake subarea of the City of Sacramento (City), and portions of the Natomas Basin in the unincorporated area of the County of Sacramento (County) to meet the urban level of flood protection for five years to January 1, 2030. This bill also establishes that the City or County are liable for

costs associated with property damage due to a flood if the City or County unreasonably approves new development in those areas.

Assembly Amendments of 7/17/2025, add areas of the City of Marysville, and Counties of Yuba, Sutter, and Sacramento to the list of areas where the deadline to meet the urban level of flood protection has been extended.

ANALYSIS:

Existing law:

- 1) Defines the urban level of flood protection to be "the level of protection that is necessary to withstand flooding that has a 1-in-200 chance of occurring in any given year ..." This is sometimes referred to as a 200 year level of protection.
- 2) Prohibits a city or county within the Sacramento-San Joaquin Valley from entering into a development agreement for property within a flood hazard zone unless the city or county finds one of the following:
 - a) The facilities of the property are protected to the appropriate level of flood protection in urban and nonurbanized areas.
 - b) The city or county has imposed conditions on the development agreement that will protect the property to the appropriate level of flood protection in urban and nonurbanized areas.
 - c) The local flood management agency has made "adequate progress" on the construction of a flood protection system that will result in the appropriate level of flood protection in urban and nonurbanized areas. For urban and urbanizing areas protected by project levees, the urban level of flood protection is required to be achieved by 2025.
- 3) Defines "adequate progress" to mean all of the following:
 - a) The total project scope, schedule, and cost of the completed flood protection system have been developed to meet the appropriate standard of protection.
 - b) Revenues that are sufficient to fund each year of the project schedule have been identified and, in any given year and consistent with that schedule, at least 90 percent of the revenues scheduled to be received by that year have been appropriated and are currently being expended. (There is an exception where state funding was not appropriated consistent with a funding agreement between a state agency and a local flood management agency.)

- c) Critical features of the flood protection system are under construction, and each critical feature is progressing as indicated by the actual expenditure of the construction budget funds.
- d) The city or county has not been responsible for a significant delay in the completion of the system.
- e) The local flood management agency provides the Department of Water Resources (DWR) and the Central Valley Flood Protection Board (CVFPB) with the required information specified in this subdivision sufficient to determine substantial completion of the required flood protection.
- 4) Extends the deadline for the City of West Sacramento to achieve the urban level of flood protection from 2025 to 2030.
- 5) Extends the date for the Mossdale Tract to reach an urban level of flood protection from 2025 to 2040.

This bill:

- 1) Extends the deadline for the following areas to meet their urban level of flood protection from 2025 to 2030:
 - a) The Natomas subarea of the City of Sacramento.
 - b) The Beach Lake subarea of the City of Sacramento and the Beach Lake subarea of the unincorporated area of the County of Sacramento.
 - c) The portions of the Natomas subarea located in the unincorporated area of the County of Sacramento and the portions of the Natomas subarea located in the unincorporated area of the County of Sutter.
 - d) The City of Marysville protected by the Marysville Ring Levee located in the City of Marysville in the County of Yuba.
- 2) Provides that the City or County may be required to contribute its fair and reasonable share of any property damage caused by a flood to the extent that the state's exposure to liability for property damage has been increased by cities or counties that unreasonably approve any new development, as specified.

Overview of SB 5 (2007). In 2007, the Legislature passed and the Governor signed a comprehensive package of flood bills. [SB 5 (Machado, Chapter 364, Statutes of 2007), SB 17 (Florez, Chapter 365, Statutes of 2007), AB 5 (Wolk, Chapter 366, Statutes of 2007), AB 70 (Jones, Chapter 367, Statutes of 2007), AB 156 (Laird,

Chapter 368, Statutes of 2007), and AB 162 (Wolk, Chapter 369, Statutes of 2007)]

The over-arching concept behind these bills was (1) stop putting people in harm's way; (2) determine where the greatest risk of harm is; (3) develop and implement plans to reduce that risk.

Among other things, SB 5 defined the urban level of flood protection to be "the level of protection that is necessary to withstand flooding that has a 1-in-200 chance of occurring in any given year ..." (Government Code (Govt. C.) §65007). SB 5 also set the national Federal Emergency Management Act standard of flood protection of 100 year protection as the objective for nonurbanized areas.

SB 5 prohibits a city or county within the Sacramento-San Joaquin Valley from entering into a development agreement for property within a flood hazard zone unless the city or county finds one of the following: (Govt. C. §65865.5)

- The facilities of the property are protected to the appropriate level of flood protection in urban and nonurbanized areas.
- The city or county has imposed conditions on the development agreement that will protect the property to the appropriate level of flood protection in urban and nonurbanized areas.
- The local flood management agency has made "adequate progress" on the construction of a flood protection system that will result in the appropriate level of flood protection in urban and nonurbanized areas. For urban and urbanizing areas protected by project levees, the urban level of flood protection shall be achieved by 2025.
- The property is in an undetermined risk area and has met the urban level of flood protection based on substantial evidence. (Added by subsequent legislation).

Precedent for extending deadlines. Recent legislation gave specific areas within the Sacramento-San Joaquin Valley region an extension to achieve the urban level of flood protection. AB 838 (Eggman, Chapter 208, Statutes of 2020) gave Mossdale Tract until 2040. SB 901 (Pan, Chapter 708, Statutes of 2022) gave the City of West Sacramento an additional five years, from 2025 to 2030, for urban and urbanizing areas protected by West Sacramento Flood Project levees.

SB 639 extends the deadline for achieving the urban level of protection to 2030, for three areas in the City and County.

Here comes the rain again. While the state, generally, assumes liability for flood damages, Water Code §8307 authorizes the state to impose liability on local agencies in the event a local agency unreasonably approved a new development project in a Central Valley floodplain "without appropriately considering significant risks of flooding made known to the approving agency ... and without taking reasonable and feasible action to mitigate the potential property damage to the new development resulting from a flood." However, if the development falls into one of the four categories that would permit development, the locals are not required to contribute and the state is solely responsible.

Under Water Code §8307, the City and County would be compliant with Government Code sections §65865.5, §65962, and § 66474.5, as those sections are proposed to be amended by this bill. This would increase the state's liability for property damages if development(s) was approved in this area before 2030. SB 639 specifies that this liability would continue to be placed on the City and/or County for any property damage in their respective jurisdictions in any new development.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

SUPPORT: (Verified September 3, 2025)

California Central Valley Flood Control Association City of Sacramento County of Sacramento County of Sutter Sacramento Area Flood Control Agency

OPPOSITION: (Verified September 3, 2025)

None received

ARGUMENTS IN SUPPORT: According to the author, "SB 639 is a regional bill that extends the deadline for projects necessary to achieve urban level of flood protection...The extension is essential to prevent negative impacts on transportation and infrastructure in the Greater Sacramento Region."

Prepared by: Edith Hannigan / N.R. & W. / (916) 651-4116 9/3/25 18:38:16

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

NOES:

NO VOTE RECORDED:

**** END ****