

Date of Hearing: August 20, 2025

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

SB 697 (Laird) – As Amended July 3, 2025

Policy Committee:	Water, Parks and Wildlife	Vote:	11 - 0
	Judiciary		11 - 0

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

SUMMARY:

This bill updates and streamlines the State Water Resources Control Board's (State Water Board) adjudication process for stream system water rights.

Specifically, this bill, among other things:

- 1) Repeals the requirement that the State Water Board conduct a detailed field investigation of each claimant involved in a statutory adjudication. Instead, requires the State Water Board, when conducting a statutory adjudication, to consider all pertinent information when investigating a stream system, including information on diversions collected by a measuring device and reported to the State Water Board by a water right holder.
- 2) Repeals the requirement that the State Water Board conduct a field investigation of the use of all known water users on a stream system that have not filed a notice of proof of claim in a statutory adjudication, and instead requires the State Water Board to investigate, in detail, the water use of such users to the extent they are known to the State Water Board.
- 3) Authorizes the State Water Board to issue an information order to any claimant in a statutory adjudication on a stream system to produce a report on the claimant's water use or basis of right if the State Water Board determines in writing that information provided by the claimant is inadequate for the State Water Board's investigation as part of the adjudication.
- 4) Requires the State Water Board to do both of the following when issuing an information order requiring a claimant to produce a report on their water use or basis of right: (a) provide a written explanation with regard to the need for the information and (b) identify the evidence that supports requiring that person to provide the information.
- 5) Provides that if the preparation of individual reports would result in duplication of effort, the State Water Board may order any person or entity subject to the order to pay a reasonable share of the cost of preparing reports.
- 6) Authorizes the State Water Board, when conducting an investigation in furtherance of an adjudication, to inspect property or facilities where water is claimed to be used, diverted, or conveyed, so long as the board has obtained a valid inspection warrant, as specified.
- 7) Requires a party receiving an information order to respond within 75 days of the date of the information order.

FISCAL EFFECT:

The State Water Board does not anticipate any increased costs as a result of this bill and notes that procedures to simplify adjudications and make the investigation of the subject stream systems more efficient may result in cost savings to the board. Further, the State Water Board recovers its statutory adjudication expenses from the claimants in the adjudication.

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

Senate Bill 697 modernizes the State Water Board's investigation of water right claims in stream systems. Currently, the law requires State Water Board staff to travel and perform costly and time intensive in person field investigations along a stream system. Senate Bill 697 allows the Board the option to use modern technology such as satellite imagery and digital data when conducting investigations, increasing efficiency without compromising data accuracy.

2) Background. A statutory adjudication is a process whereby the State Water Board may determine, subject to judicial approval, the rights to water of a stream system. The State Water Board has completed 28 statutory adjudications to date, mostly on small stream systems. A statutory adjudication on the Fresno River is pending. Under existing law, as a part of the adjudication, the State Water Board must conduct a comprehensive in-person field investigation of the stream system and the properties involved in the dispute. According to the author, the existing process is overly prescriptive and needlessly burdensome on the State Water Board, especially in light of modern technology.

Seeking to streamline stream system adjudications, this bill eliminates the requirement that the State Water Board conduct a field inspection of the water course. The bill replaces that mandate with an authorization to conduct field inspections when necessary. Recognizing that some water rights cases may be resolved utilizing property documents and expert reports, this bill clarifies the State Water Board's authority to issue "information orders" to the parties who are claimants in the adjudication. In furtherance of expediting the adjudicatory process, the bill requires a claimant to respond to the information order within 75 days.

The author notes that the state has already invested in improving stream gages and digitizing its water rights system to align with modern technological advancements, and that this bill allows water managers to utilize enriched, real-time data from these investments to inform their decisions, increasing the efficiency of the adjudicatory process, while continuing to authorize the use of field investigations if needed.

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