SENATE RULES COMMITTEE

Office of Senate Floor Analyses

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UNFINISHED BUSINESS

Bill No: SB 697 Author: Laird (D)

Amended: 7/3/25 in Assembly

Vote: 21

SENATE NATURAL RES. & WATER COMMITTEE: 5-0, 3/25/25

AYES: Limón, Allen, Hurtado, Laird, Stern NO VOTE RECORDED: Seyarto, Grove

SENATE JUDICIARY COMMITTEE: 11-0, 4/22/25

AYES: Umberg, Allen, Arreguín, Ashby, Caballero, Durazo, Laird, Stern, Wahab,

Weber Pierson, Wiener

NO VOTE RECORDED: Niello, Valladares

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

SENATE FLOOR: 29-1, 5/28/25

AYES: Allen, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cortese, Dahle, Durazo, Gonzalez, Grayson, Hurtado, Laird, Limón, McGuire, McNerney, Menjivar, Padilla, Pérez, Richardson, Rubio, Smallwood-Cuevas, Stern, Umberg, Wahab, Weber Pierson, Wiener

NOES: Alvarado-Gil

NO VOTE RECORDED: Cervantes, Choi, Grove, Jones, Niello, Ochoa Bogh, Reyes, Seyarto, Strickland, Valladares

ASSEMBLY FLOOR: 66-0, 8/29/25 - See last page for vote

SUBJECT: Determination of water rights: stream system

SOURCE: Author

DIGEST: This bill gives the State Water Resources Control Board (State Water Board) flexibility in the manner used to investigate a stream system, rather than requiring the State Water Board to conduct a detailed field investigation, and,

when conducting these investigations, authorizes the State Water Board to issue an information order to any person or entity that diverts or uses water or claims a water right.

Assembly Amendments of 7/3/25 make a technical amendment.

ANALYSIS:

Existing law:

- 1) Authorizes the State Water Board to:
 - a) Investigate all streams, stream systems, portions of stream systems, lakes, or other bodies of water.
 - b) Take testimony in regard to the rights to water or the use of water.
 - c) Investigate and ascertain whether or not water filed upon or any claimed riparian or appropriative right is valid. (Water Code (Wat. C.) §1051(a))
- 2) Authorizes the State Water Board, in furtherance of the above described investigation, to issue an information order to provide specified information related to a diversion and use of water. (Wat. C. §1051(b))
- 3) Authorizes the State Water Board to determine all rights to water of a stream system whether based upon appropriation, riparian right, or other basis of right upon petition by a claimant to water of the steam system requesting the determination of the rights of the various claimants to the water of that stream system. Requires the State Water Board to comply with specific notice, proceeding, and investigation processes and requires claimants to notify the State Water Board of their intention to file proof of claim and to submit proof of their respective claims. (Wat. C. §§2500 et seq.)
- 4) Requires the State Water Board to begin an investigation of the stream system, of the diversion of water, of all beneficial uses being made of the water, and of the water supply available for those uses, and to gather data and information that may be essential to the proper determination of water rights in the stream system. (Wat. C. §2550)
- 5) Requires representatives of the State Water Board, after giving 30 days' notice in writing to each person who has given notice of intent to file proof of claim, to conduct a detailed field investigation of those persons' uses of water and to make certain determinations regarding the location, use, purpose, and amount

- of water diverted. (Wat. C. §2551)
- 6) Requires each claimant to have available at the field investigation all pertinent information on the extent and nature of the claimant's water use and basis of water right. (Wat. C. §2552)
- 7) Requires that the claimant or the claimant's representative be provided a blank form of proof of claim and a copy of the factual determinations upon conclusion of the field investigation. (Wat. C. §2553)
- 8) Requires the State Water Board to also investigate projects of all water users known to the State Water Board who have not filed a notice of intent to file proof of claim during the investigation of the stream system. (Wat. C. §2554)
- 9) Requires that water users who are not present during the field investigation and who do not file a notice of intent are, insofar as they are known, are supplied a copy of the factual determinations of the State Water Board and a blank form of proof claim and requires that they are allowed to file proof of claim after the investigation has been completed.
- 10) Requires each person who diverts water to file with the State Water Board a statement of their diversion and use, except that a statement is not required in specific circumstances. (Wat. C. §5101)

This bill:

- When investigating stream systems, generally requires the State Water Board to investigate in detail the use of water by each person who has given notice of intent to file a proof of claim, instead of requiring the State Water Board to conduct a detailed field investigation, and makes conforming changes. Requires the State Water Board to consider all pertinent information, as specified.
- 2) Authorizes the State Water Board, when conducting an investigation of a stream system and if the State Water Board determines that the information provided is inadequate for the investigation, to issue an information order to any person or entity that diverts or uses water or claims a water right to prepare and submit to the State Water Board any technical or monitoring program reports related to the diversion or use, or to submit any report of the basis for that claimed water right.

- a) Requires the burden of preparing the report bear a reasonable relationship to the report's need, as specified.
- b) Requires a person or entity who receives an information order to respond within 75 days, which may be extended as specified, and authorizes the information order to include a requirement that the information be annually updated while adjudication is pending.
- 3) Authorizes the State Water Board, when conducting an investigation of a stream system, to inspect property or facilities where water is claimed to be used, diverted, or conveyed. Authorizes the State Water Board to obtain an inspection warrant for these purposes.
- 4) Applies specific procedures for reconsideration, amendment, and judicial review to information orders issued pursuant to the above-described provisions.

Background

Under existing law, the State Water Board protects water quality and allocates surface water rights. To that end, the State Water Board is required to take all appropriate actions to prevent waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion of water and provides that the unauthorized diversion or use of water is a trespass. Existing law authorizes the State Water Board to (1) investigate all streams, stream systems, portions of stream systems, lakes, or other bodies of water; (2) take testimony in regard to the rights to water or the use of water, and (3) ascertain whether water filed upon or attempted to be appropriated is appropriated under the laws of the State (Wat. C. §1051).

The State Water Board is also authorized to determine all rights to water of a stream system whether based on appropriation, riparian right, or other basis of right (Wat. C. §2501). This is known as a statutory adjudication. Statutory adjudication is a process by which the comprehensive determination of all water rights in a stream is made. This happens if a claimant petitions the State Water Board for an adjudication, and the State Water Board finds the action necessary and in the public interest. The California Supreme Court has held that claimants or petitioners can include not only water users, but also those seeking recognition of public trust values on a streamwide basis.

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

According to the Assembly Floor Analysis, the Assembly Appropriations Committee states that "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."

SUPPORT: (Verified 8/29/25)

Sierra Club

OPPOSITION: (Verified 8/29/25)

None received

ARGUMENTS IN SUPPORT: 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."

ASSEMBLY FLOOR: 66-0, 8/29/25

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Chen, Connolly, Davies, DeMaio, Dixon, Fong, Gabriel, Garcia, Gipson, Jeff Gonzalez, Mark González, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lowenthal, 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, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

NO VOTE RECORDED: Berman, Castillo, Elhawary, Ellis, Flora, Gallagher, Hadwick, Lee, Macedo, McKinnor, Ta, Tangipa, Valencia

Prepared by: Genevieve Wong / N.R. & W. / (916) 651-4116 8/29/25 21:01:35

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