



NCWA
Northern California Water Association

#SourcingAVibrantFuture

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May 19, 2026

President Pro Tempore Monique Limón
California State Senate
1021 O Street, Suite 8518
Sacramento, CA 95814

Speaker Robert Rivas
California State Assembly
1021 O Street, Suite 8330
Sacramento, CA 95814

Honorable John Laird
Chair, Senate Committee on Budget and Fiscal
Review
1021 O St., Suite 8720
Sacramento, CA 95814

Honorable Jesse Gabriel
Chair, Assembly Committee on Budget
California State Assembly
1021 O Street, Suite 8230
Sacramento, CA 95814

Honorable Eloise Gómez Reyes
California State Senate
1021 O Street, Suite 7210
Sacramento, CA 95814

Honorable Steve Bennett
California State Assembly
1021 O Street, Suite 4710
Sacramento, CA 95814

RE: 2026-27 State Budget Priorities for the Northern California Water Association

Dear Pro Tem Limón, Speaker Rivas, Chairs Laird and Gabriel, Senator Reyes and Assemblymember Bennet,

On behalf of the Northern California Water Association (NCWA), I am writing to formally request that the Legislature maintain and increase funding for statewide water priorities within the 2026-2027 State Budget. NCWA represents the water districts, water companies, small towns, rural communities and landowners that beneficially use both surface and groundwater resources in the Sacramento River Basin.

The global climate is changing rapidly: our wet years bring larger and more prolonged floods and our dry years continue to worsen, leading water managers across the state to forge groundbreaking partnerships and invest in new ideas that can help California manage its most critical resources more effectively. In the Sacramento River Basin, NCWA and its members share a vision of a vibrant and sustainable future for our communities, farms and the environment, and invest deeply in this vision through the responsible stewardship of our water resources.

We recognize that state funding is a crucial component of our shared vision in the Sacramento River Basin, and we strongly urge the Legislature to continue funding programs that support sustainable water management throughout California. Specifically, we urge the Legislature to restore full funding for the Aerial Snow Observatory (ASO) Program and the Safe and Affordable Fund for Equity and Resilience (SAFER) Program.



Sourcing a vibrant future through responsible management of water—the essential resource that millions of people, thousands of farms, and our communities all depend upon, while also nourishing the millions of birds and fish that live in this region.

We also request that the Legislature provide one-time funding allocations and continue allocations across a variety of water priorities.

SAFER Program General Fund Backstop

The Safe and Affordable Fund for Equity and Resilience (SAFER) Program remains among the most impactful and successful investments in statewide water quality since its establishment in 2019. The State Water Resources Control Board (SWRCB) notes that the Program has since provided \$50 million to 150 failing water systems, servicing a total of 9,456 households. Additionally, SAFER has provided over \$700 million in grants to address drinking water issues for small, disadvantaged communities throughout the state. The SAFER Drinking Water Program has proven a critical resource for addressing the drinking water needs of areas requiring additional support and resources.

With the reauthorization of the Cap-and-Trade program (now Cap-and-Invest) through SB 847 in 2025, the Legislature did not reauthorize the reference to the existing statute containing the General Fund backstop (Health and Safety Code § 116766(g)), leaving SAFER solely dependent on the Cap and Invest Program and the unpredictable revenues of Greenhouse Gas Reduction Fund (GGRF) auctions. Furthermore, SB 847 categorized the SAFER Programs under Tier 3, which are among the first programs to share reductions in the case of GGRF underperformance. These factors leave this critical funding vulnerable, and as a result, SAFER was allocated \$92 million from GGRF in the Governor’s Proposal for FY 2026-2027, which is a significant reduction from its previous allocation at \$130 million.

We urge the Governor and the Legislature to fulfill the original \$130 million allocation to address critical drinking water issues and help California build a sustainable future for its small communities.

Aerial Snow Observatory Program

NCWA firmly believes that the Aerial Snow Observatory (ASO) Program is an important tool in the state’s strategy to improve its water accounting and help water managers prepare adequately for future wet and dry years. ASO flights and runoff forecasts provide water and flood managers with information that is 98% accurate weeks or months in advance as to where snow will melt and water will run off and accumulate in our reservoirs, creeks, and streams – critical inputs to operating our infrastructure more efficiently and effectively in the face of relentless climate whiplash.

While the Governor’s January Proposal provided backfilling to preserve this program, additional funding for improved snowpack and water measurement, monitoring, and forecasting are critical needs for California’s long-term climate resilience. We urge the Legislature to restore and expand those investments via the General Fund or Greenhouse Gas Revenue Funds at the \$35 million level.

Yuba Water Agency New Colgate Penstock and Powerhouse Recovery General Fund Request

NCWA strongly supports Yuba Water Agency’s request for a \$20 million General Fund allocation in the 2026-2027 fiscal year to support the recovery of the New Colgate Penstock and Powerhouse (“New Colgate”). On February 13, 2026, Yuba Water Agency experienced a major rupture of its 14-foot-diameter penstock pipe above New Colgate Powerhouse along the North Yuba River in Dobbins, Yuba County. The rupture caused erosion and significant damage to New Colgate and several switchyards, and swept debris, mud and other material into the Yuba River. New Colgate is an infrastructure asset of statewide significance given its key role in power generation and multi-benefit water supply operations. We believe this investment of general fund dollars will be a crucial component to restore functionality to this critical infrastructure asset.

Healthy Rivers and Landscapes Program


Healthy Rivers and Landscapes (HRL) is a collaborative approach based on modern science to restore river health, floodplains, and natural landscapes in the Bay-Delta, while supporting fish, farms, wildlife, communities, recreation and hydropower. The actions outlined through Healthy Rivers and Landscapes will increase river flows and expand habitat in the Sacramento and San Joaquin Rivers, their tributaries, and the Bay-Delta.

NCWA and its partners look forward to continued collaboration with the Administration as the State Water Resources Control Board adopts HRL as part of the Bay Delta Plan Update this fall. Additionally, we are incredibly grateful for the Administration’s proposal of \$25 million from General Fund for the implementation of HRL, of which \$10 million would be utilized for habitat restoration. We urge the Legislature to advocate for the inclusion of this funding within the FY 26-27 Budget.

Programmatic Funding Requests

The Governor’s May Revise, through a \$1.8 billion decrease in spending and revenues \$16.5 billion higher than projections, solves for a \$0 deficit through July 2028. The Legislative Analysts Office (LAO) has estimated a \$20 million to \$35 million budget deficit problem per year over the next several years, despite the positive fiscal outlook provided by the May Revise. NCWA and its members understand the constraints, variables and limitations of the State Budget Process, and we support the Legislature’s action to maintain and increase funding allocations from General Fund and Proposition 4 for the following programs:

- Department of Water Resources
 - Dam Safety and Climate Resilience Local Assistance Program
 - Regional Conveyance
 - Flood Control:
 - Urban Flood Risk Reduction Program
 - Flood Projects in the Sacramento San Joaquin Delta
 - Flood Control Subventions Program
 - Sustainable Groundwater Management Act (SGMA) Implementation
 - Groundwater Storage/Banking/Recharge and Instream Flow
- State Water Resources Control Board



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- Safe and Affordable Drinking Water Program
- Wildlife Conservation Board
 - Streamflow Enhancement Program
 - Protection and Enhancement of Fish and Wildlife Resources

Thank you very much for your consideration of our budget requests and support. We firmly believe that these critical investments in infrastructure and wholistic water management will build a strong foundation for a bright and sustainable water future for all Californians. If you have any questions about these asks, please email me at kbezdek@norcalwater.org.

Sincerely,



Kam Bezdek
Legislative Affairs Director
Northern California Water Association