

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

DIRECTS TWO PERCENT OF GENERAL FUND TO WATER SUPPLY PROJECTS;

LIMITS ENVIRONMENTAL REVIEW FOR ELIGIBLE PROJECTS. INITIATIVE

CONSTITUTIONAL AMENDMENT AND STATUTE. Transfers two percent of annual

General Fund revenues to Water Supply Infrastructure Trust Account for water infrastructure projects until state increases its annual water supply by 5,000,000 acre-feet. Prioritizes funding projects that are approved or ready to start. Authorizes issuance of general obligation bonds for water projects to be repaid with revenues in Trust Account. Limits environmental review of eligible projects through expedited California Environmental Quality Act (CEQA) process.

Limits Coastal Commission review of specified projects; authorizes California Natural

Resources Agency to override Coastal Commission decisions. Limits constitutional challenges to approved projects. Summary of estimate by Legislative Analyst and Director of Finance of

fiscal impact on state and local governments: **Total costs of several tens of billions of dollars**

for water projects, potentially totaling more than \$100 billion, to develop 5 million acre-feet

of additional annual water supply. Dedicate between \$2.5 billion and \$4 billion per year of

existing state General Fund revenues for the next few decades to support the above costs.

These funds would therefore not be available to support other public services funded by

the state. Unknown fiscal impacts on local governments, but likely some net savings from

state funds replacing monies that local governments otherwise would have spent on water

supply projects. (21-0014A1.)