

CALIFORNIA LEGISLATURE—2025-2026 SIMULATION SESSION

SENATE BILL

NO 55

Introduced by Senator Caballero

October 1, 2025

An act to provide funding for projects that recharge aquifers and promote sustainable groundwater management.

LEGISLATIVE COUNSEL'S DIGEST

SB 55, as introduced, Caballero. Groundwater Recharge and Aquifer Protection Act

The existing law, the Sustainable Groundwater Management Act (SGMA) passed in 2014, requires local Groundwater Sustainability Agencies to develop and implement groundwater sustainability plans by 2040. However, many areas of California, especially the Central Valley, face rapidly declining groundwater levels, land subsidence, and drinking water shortages due to over-pumping.

Overpumping leads to significant environmental damage, including disruptions to surface flow and impacts on freshwater ecosystems. Additionally, it can cause significant damage to the current infrastructure and permanent loss of the aquifer's capacity, leading to complications in the storage and extraction of water in the future

This bill, the Groundwater Recharge and Aquifer Protection Act, would establish a grant program within the Department of Water Resources to support the development of groundwater recharge projects, including recharge basins, floodwater diversion canals, on-farm recharge, and infrastructure upgrades. The bill would appropriate ~~\$60 million~~ *\$5 million* annually from the General Fund *for a period of 5 years* to support these projects, prioritize funding for overdrafted basins and disadvantaged rural communities, and require annual reporting to the Legislature.

Vote: majority Appropriation: yes Fiscal Committee: yes Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** The Legislature finds and declares all of the following:

- (a) California is the leading state in the nation in agricultural production and is the fifth largest producer of food globally.
- (b) Fresno County ranks first in the nation in almond and other nut production, and several California counties are national leaders in other production
- (c) California agriculture is highly dependent on water resources, and the state uses more water for farming than any other state
- (d) Climate change has increased the frequency of extreme weather, including prolonged droughts that strain underground aquifers.
- (e) There are 515 basins and subbasins under the management of the Sustainable Groundwater Management Act (SGMA).
- (f) Many basins, especially in the Central Valley, are critically overdrafted, leading to environmental, structural, and financial problems.

(g) Inaction could cause irreversible damage to aquifers and reduce long-term groundwater storage capacity.

(h) Investment in groundwater recharge projects during wet years will help refill aquifers and provide water security for future droughts.

(i) It is the intent of the Legislature to support California's agricultural economy while protecting groundwater resources through sustainable water management.

**SEC. 2.** This act shall be known as the Groundwater Recharge and Aquifer Protection Act of 2025.

**SEC. 2.5.** For purposes of this act, the following definitions apply:

(a) "Aquifer" means a geologic formation or structure that transmits water in sufficient quantities to supply pumping wells or springs, as defined in Section 37900 of the Water Code.

(b) "Sustainable groundwater management" means the management and use of groundwater in a way that can be maintained during the planning and implementation horizon without causing adverse environmental, social, or economic outcomes.

(c) "On-farm recharge" means the intentional flooding of surface water to agricultural fields for the purpose of seeping water into the underlying aquifer.

(d) "Recharge basin" means a manmade pond designed to capture surface water and allow it to slowly seep into the ground, replenishing underground aquifers.

(e) "Critically overdrafted basin" means a basin that is subject to continuation of water practices that would result in significant adverse overdraft-related environmental, social, or economic impacts.

(f) "Disadvantaged community" means a community with an annual median household income less than 80 percent of the statewide annual median household income, as defined in Section 79505.5 of the Water Code.

**SEC. 3.** The Department of Water Resources shall establish a Groundwater Recharge Grant Program to support local water agencies, irrigation districts, and farmers in implementing projects that increase groundwater storage.

(a) Eligible projects include, but are not limited to:

(1) The Construction of recharge basins.

(2) The Diversion of floodwater into recharge facilities.

(3) On-farm recharge practices.

(b) Grants shall prioritize:

(1) Critically overdrafted basins as identified by the Department of Water Resources.

(2) Rural and disadvantaged communities that rely on groundwater for drinking water.

**SEC. 4.** The sum of ~~\$60,000,000~~ *\$5 million* annually *over the course of 5 years*, shall be appropriated from the General Fund to the Department of Water Resources for purposes of this act, beginning in the 2025-26 fiscal year.

(a) The Department may use up to five percent of funds for program administration.

(b) It is the intent of the Legislature to reevaluate this appropriation in the 2030-2031 fiscal year, and consider further funding if necessary.

**SEC. 5.** The Department shall submit an annual report to the Legislature detailing:

(1) The amount of water recharged.

(2) Groundwater level changes in funded basins.

(3) Benefits to local communities and agriculture.