



SUSTAINABLE GROUNDWATER MANAGEMENT ACT

Frequently Asked Questions

Groundwater Extractors and State Intervention Under the Sustainable Groundwater Management Act (SGMA)

The Sustainable Groundwater Management Act (SGMA) is a California law that was designed to ensure groundwater resources are managed sustainably for the long-term benefit of communities, farms, businesses, and the environment. SGMA emphasizes local groundwater management, but, if local management is insufficient, SGMA allows the state to take a range of actions through a process called [state intervention](#).

Under SGMA, local groundwater management organizations, called Groundwater Sustainability Agencies (GSAs), were required to develop and submit plans for basin-scale groundwater management, called Groundwater Sustainability Plans (GSPs), to the California Department of Water Resources (DWR) for review. For many groundwater basins, DWR assessed GSPs in early 2023. Some of those GSPs were approved by DWR but others were found inadequate. For groundwater basins with inadequate GSPs, the State Water Resources Control Board (State Water Board or Board) must now determine, through a public process, if the basins will be subject to the first phase of state intervention, which is called a “probationary” designation in SGMA. State intervention supplements local groundwater management efforts and is intended to be temporary, lasting only until local GSAs can demonstrate that they can sustainably manage their groundwater basins.

This FAQ is intended to help people who pump groundwater, referred to as groundwater extractors, understand state intervention as well as whether and how new state-required groundwater extraction reporting requirements and fees may apply to them.



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1. When and how would new state requirements apply?

If the Board designates a groundwater basin as probationary, most businesses and people who extract groundwater in that basin would be required to report certain information, including how much water they extract, and pay fees to the Board.

These new requirements would be in addition to any reporting requirements and fees imposed by the local GSA. The Board's decision to intervene in a basin by designating it as probationary would be made after a public hearing, called a "probationary hearing." If the Board plans to hold a hearing to consider whether to designate a basin as probationary, the Board would first mail a probationary hearing notice to all property owners who the board believes have wells (or propose to construct wells) based on publicly available information. This notice would be mailed at least 60 days before the public hearing.

If the Board decides to designate a basin as probationary, many groundwater extractors in that basin would need to begin tracking their monthly groundwater extractions starting 90 days after the probationary determination, except for *de minimis* users (those who extract two acre-feet or less of groundwater per year for domestic purposes only), who are generally exempt from reporting and paying fees. Questions 3 and 7 below have more information about *de minimis* users. Bills for applicable fees would be sent to extractors after they submit their reports. Only people who are required to report may be charged fees. Fee waivers may also be available under certain circumstances (see Question 9, below).

2. Which basins are affected?

People who extract groundwater from a well in a probationary basin are subject to these new reporting requirements unless exempted by the Board. You can view any reporting requirements and exemptions [on the State Water Board's website](#).

You can enter any address into the [SGMA Status Map](#) to determine whether a well is located in:

- a basin designated probationary, or
- a basin that is not yet designated probationary but is subject to state intervention.

If the Board designates a basin as probationary, the Board would notify groundwater extractors by mail. Groundwater extractors subject to reporting and fees are still required to report and pay fees even if they did not receive a notification letter. Reasons for not receiving a notification letter from the Board include an incorrect mailing address on file with the county, lack of well location information on file with state or local agencies, or refusal of mail delivery. Extractors should ensure that their current address is on file with the County Assessor.

3. I have a well but don't measure my water use. How do I know if I am exempt because I extract two acre-feet or less of groundwater each year for my domestic use?

Most households in California use about one third of an acre-foot of water per year or less for both their interior uses (e.g., drinking, cooking, sanitation) and outdoor uses (e.g., watering shrubs, lawns, gardens). Some households may use more than two acre-feet per year for household use if they irrigate large outdoor areas. **The Board will mail well owners in probationary basins more information including where to access a tool for estimating how much groundwater they extract.** Well owners who receive a letter with a "Correspondence ID" from the Board may use the Board's online [Groundwater Extraction Annual Reporting System \(GEARS\)](#) to estimate how much groundwater they extract and find out if they need to report their extractions.

4. How long would I be required to report groundwater extractions and pay fees to the Board?

Groundwater extractors in probationary basins will need to continue to report their groundwater extraction volumes and pay the associated fees annually until the Board rescinds a probationary designation, typically after local GSAs have corrected the issues that triggered state intervention.

5. How would the information reported be used?

For basins subject to a probationary determination, groundwater extraction report information will be used by the Board (1) to assess basin conditions and (2) to develop technical recommendations for GSAs on how to fix the issues that resulted in the basin being placed on probation. Additionally, if the GSAs are not able to resolve these issues within one year of a probationary determination for a basin, groundwater extraction information may be used by the Board to develop an interim plan for the basin. This plan could include groundwater extraction limits. The data collected from extractors will be public and is subject to review. To the degree that coordination or management is challenging due to limited availability of information about water use, the extraction data collected may help fill information gaps.

6. How else might I be affected?

At a public probationary hearing, the Board may make other decisions that affect groundwater extractors in a basin becoming subject to state intervention. For example, the Board may:

- Require well owners to measure how much water they extract using flow meters, or other measurement methods satisfactory to the Board.
- Exclude a group of extractors from reporting if people in that group, collectively, have a minimal impact on overall extractions in the basin and, thus, extraction information from that group of extractors is unnecessary for basin management.
- Require groundwater extractors to report even if they extract two acre feet or less of water each year for household purposes (*de minimis* users) if, together, those extractors have a significant impact on groundwater in the basin.

For more information on probation and probationary hearings, you may view the Board's fact sheet on State Intervention titled [Probationary Designation and Groundwater Regulation by the State Water Board](#).

7. Would I have to report and pay fees if the Board intervenes in the basin where I have a well?

Groundwater extractors generally would have to report and pay fees to the Board if they extract groundwater from a well in a basin the Board declared as probationary, **with possible exceptions:**

- Domestic well users who extract two acre-feet or less of groundwater per year (approximately 652,000 gallons or less per year) **and** only use this water for domestic household purposes are classified as *de minimis* users and generally will not have to report or pay fees. *De minimis users do not include people who extract more than two acre-feet total from multiple wells, even if they pump two acre-feet or less per year for domestic purposes from one of their wells.* (See Question 3 “I have a well but don’t measure my water use. How do I know if I am exempt because I extract two acre-feet or less of groundwater each year for my domestic use?” above.)

Note: The Board could require *de minimis* users to report in certain situations such as if a substantial portion of the groundwater use in a basin is from *de minimis* users and the cumulative impact of the *de minimis* users is significant. In this case, *de minimis* users would be required to pay an annual reporting fee in addition to reporting their extraction volumes.

- Extractors, who as a group have a minimal impact on overall pumping in the basin, may be excluded from reporting at the Board’s discretion. A decision to exclude a group or category of extractors from extraction metering, reporting and/or fees, will generally be made at a probationary hearing.

8. What are the fees I might have to pay?

Fees are based on the number of wells a groundwater extractor owns and the amount of groundwater that they extract. The current fee schedule is on the [State Water Board SGMA Reporting and Fees website](#). These fees are set by the Board and the money collected will be used only to cover the costs of the Board’s state intervention activities to ensure groundwater is managed sustainably. The Board periodically reevaluates the level of fee revenue necessary to fund its state intervention activities under the SGMA program. You may subscribe to the Board SGMA email list under “Stay Informed” on the [State Water Board SGMA website](#) to receive updates on any changes to fees.

9. How do I qualify for or receive a fee waiver (to avoid having to pay fees)?

Any groundwater extractor that is required to report extractions must also pay fees unless they obtain a waiver from the Board. **An extractor may request a fee waiver if they meet the following requirements**, as specified in California Code of Regulations, title

23, section 1044:

They filed their reports of groundwater extraction by the required deadline, **and they fit one of the following criteria:**

- Their household income is less than twice [the federal poverty level](#) (for a family of four in 2024, household income is less than \$62,400 per year. For one-person households, program eligibility is based on two-person household guideline levels), **or**
- They are enrolled in a qualified public assistance program, **or**
- They are a public school, **or**
- They are a public or state small water system serving a disadvantaged community where the primary purpose of water service is for human consumption, cooking, and sanitation.

Groundwater extractors still have to report extractions even if they are approved for a fee waiver. The Board needs reported groundwater extraction information to better understand the needs and uses of groundwater resources in the basin. Additional guidance regarding how to request a waiver will be released prior to any bills being mailed; however, any waiver request must be submitted to the Board within 30 days of when the fee is due for the waiver to apply to that billing and must include information demonstrating that the applicant meets the criteria above. Eligible late waiver request that include the required information will take effect for the next bill.

10. Why do I have to pay fees to the Board if I already pay fees to a GSA?

The State Legislature has directed that the Board fund its state intervention activities through charging fees for groundwater extractions in basins where state intervention is occurring. Board SGMA fees are typically reevaluated by the Board at least annually and the money collected from these fees can be used only to cover the costs of the Board's SGMA state intervention activities.

11. What if I already report groundwater extractions or pay fees to another agency?

In groundwater basins that are designated as probationary where GSAs also require groundwater extraction reporting and fees, businesses and people who extract groundwater will have to comply with both state and local requirements. This means groundwater extractors will need to report extractions and pay fees to both their GSA and to the Board.

12. How do I participate in future discussion of fees?

As noted above, SGMA fees are typically reevaluated by the Board at least annually. The Board typically holds several fees workshops throughout the year leading up to the adoption of updated fees in September. You may subscribe to the Board's SGMA email list under "Stay Informed" on the [SGMA website](#) to receive updates on any changes to fees.

13. How and when do I report and pay fees?

Unless you are directed otherwise, if the Board designates your basin as probationary, you must report your groundwater extraction volumes to the Board annually by February 1 for the previous water year.¹ The Board may set a different reporting deadline or a different annual reporting period for a given basin designated as probationary.² Monthly groundwater extraction volumes must be submitted online to the Board's [Groundwater Extraction Annual Reporting System \(GEARS\)](#). An invoice will be mailed to extractors after reports are due. Fees are due to the Board by April 1 or 30 days after the invoice issue date – whichever is later.

14. What happens if I do not report on time?

Late reporters are subject to late fees and may be subject to additional administrative liability or misdemeanor penalties. If extractions are not reported by the due date, a 25% per month late fee will be assessed, up to a cap of three times the original fee (plus the original fee).

In addition to the late fee, if a person fails to report as required, the State Water Board may, at that person's expense, investigate and determine their groundwater use. The Board will provide notice and 60 days to submit the reports before costs of investigation may accrue.

15. What information would I have to report?

Groundwater extractors who are required to report their extractions must provide:

- Where each well is located
- How much each well can pump (the maximum rate in gallons per minute)
- How much water was extracted each month for the prior water year³
- The purpose of the groundwater use
- The locations of the properties where the extractor uses groundwater

¹ The water year starts each year on October 1 and ends September 30 of the following year. For example, the 2023 water year started October 1, 2022, and ended September 30, 2023.

² Reports for the Tulare Lake Subbasin are due December 1 after each water year.

³ The water year starts each year on October 1 and ends September 30 of the following year. For example, the 2023 water year started October 1, 2022, and ended September 30, 2023.

- The approximate year groundwater extractions began

Groundwater extractors may be required to provide additional information. **The Board will mail groundwater extractors more information about reporting if the Board believes they may be required to report.**

16. How do I determine my groundwater extraction volumes?

The Board may require certain groundwater extractors to use specific devices, such as flow meters, or other methods to measure or estimate groundwater extractions. [Check the webpage for your basin](#) to learn about these requirements.

Otherwise, Board staff have produced a guidance document titled [Options for Measuring Extraction Volumes](#) describing acceptable methods for determining your groundwater extraction volumes, where meters are not otherwise required. Other measuring and estimating methods are possible but must be approved by the Board on a case-by-case basis.

17. What do I do if I received a letter telling me to report my extractions but I don't own a well?

- If your well is no longer operational or has been destroyed or your property has been mistakenly identified as containing a well, follow the reporting instructions on the letter you received to inform the Board of these conditions.
- If the address or Assessor's Parcel Number (APN) identified in the letter is for a property you do not own, please contact us at sgma@waterboards.ca.gov.

18. What are next steps I can take?

- **Sign up for updates and stay informed.** You may subscribe to the Board's SGMA email list under "Stay Informed" on the [SGMA website](#) to receive updates. For example, interested parties will have opportunities to provide comments to the Board before it designates a basin as probationary. You can review information, resources, and frequently asked questions related to reporting and fees on the [State Water Board SGMA Reporting and Fees website](#).
- **Get involved with groundwater management in your basin.** Groundwater extractors can contact their local GSA for more information, including ways to get involved in groundwater management, and can ask to be placed on the GSA's list of interested persons for updates. Use [the SGMA Lookup Tool](#) to find your local basin and GSA, including their contact information.
- **Prepare to report.** Keep in mind that, even with a fee exemption, groundwater extractors will still need to report on time. See question 14, "What if I do not report on time?" above. Learn more about reporting requirements and about how to

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measure groundwater extractions from wells in the fact sheet [Options for Measuring Extraction Volumes](#). Learn how to register and use the Groundwater Extraction Annual Reporting System (GEARS) on the [State Water Board SGMA Reporting and Fees website](#). Reporting and fee paying is required for probationary basins until the Board determines a GSA's management of a basin is sustainable. For more information, email SGMA@waterboards.ca.gov or call (916) 322-6508.

This FAQ was last updated May 2024.