

Overview of the Commission's Groundwater Trading White Paper

August 20, 2025

Background

- Spring 2021: Commission was directed to initiate action 3.6 of Water Resiliency Portfolio.
- Summer and Fall 2021: Commission led a series of public outreach events gathering input about groundwater trading programs.
 - Diverse and broad group of participants
 - Survey: more than 100 responses
 - Workshops : more than 200 attendees
 - Small groups: more than 80 participants
- Winter 2022: Commission released a Groundwater Trading White Paper

Summary of Groundwater Trading White Paper

- Valuable tool
- Locally designed and led. State authority is limited.
 - Programs can be voluntary, flexible, and community driven
- Groundwater sustainability agencies (GSAs) set an allocation (a limit on how much water they can pump).
- Use or trade their allocation
- Groundwater trading \neq physical movement of water

Next Steps

- Develop an implementation workplan and best management practices
- Engage vulnerable users and interested parties
- Identify and assess resources for GSAs
- Support technical assistance programs
- Conduct SGMA oversight and examine existing authority
- Create digital resources and standards of practice
- Incentivize well-managed groundwater trading
- Evaluate incentives for wetlands