Roles and Responsibilities of California Water Commission
(extracts from Chapter 8 of SBX7 2)

79740. (a) … the commission may make the determinations, findings, and recommendations required of it by this chapter independent of the views of the director.
(b) … $3,000,000,000 is hereby continuously appropriated from the fund, without regard to fiscal years, to the commission for public benefits associated with water storage projects that improve the operation of the state water system, are cost effective, and provide a net improvement in ecosystem and water quality conditions, in accordance with this chapter. …
(c) Projects shall be selected by the commission through a competitive public process that ranks potential projects based on the expected return for public investment as measured by the magnitude of the public benefits provided, pursuant to criteria established under this chapter.

79741. Projects for which the public benefits are eligible for funding under this chapter consist of only the following:
(a) CALFED Surface storage projects
(b) Groundwater storage projects
(c) Conjunctive use and reservoir reoperation projects.
(d) Local and regional surface storage projects that improve the operation of water systems in the state and provide public benefits.

79742. A project shall not be funded pursuant to this chapter unless it provides measurable improvements to the Delta ecosystem or to the tributaries to the Delta.

79743(a) Funds allocated pursuant to this chapter may be expended solely for the following public benefits associated with water storage projects:
(1) Ecosystem improvements…
(2) Water quality improvements in the Delta…
(3) Flood control benefits…
(4) Emergency response…
(5) Recreational purposes…

79744. In consultation with the Department of Fish and Game, the State Water Resources Control Board, and the department, the commission shall develop and adopt, by regulation, methods for quantification and management of public benefits described in Section 79743 by December 15, 2012. The regulations shall include the priorities and relative environmental value of ecosystem benefits as provided by the Department of Fish and Game and the priorities and relative environmental value of water quality benefits as provided by the State Water Resources Control Board.

79745. (a) … no funds … may be allocated for a project before December 15, 2012, and until the commission approves the project based on the commission’s determination that all of the following have occurred:
(1) The commission has adopted the regulations … and specifically quantified and made public the cost of the public benefits associated with the project.
(2) The department has entered into a contract with each party that will derive benefits, …
(3) The department has entered into a contract with each public agency identified … that administers the public benefits…
(4) The commission has held a public hearing …
(5) All of the following additional conditions are met:
   (A) Feasibility studies have been completed.
   (B) The commission has found and determined that the project is feasible, is consistent with all applicable laws and regulations,…
   (C) All environmental documentation … has been completed, and all other federal, state, and local approvals… have been obtained.
(b) The commission shall submit to the Legislature its findings for each of the criteria identified in subdivision (a) for a project funded pursuant to this chapter.
(c) Notwithstanding subdivision (a), funds may be made available under this chapter for the completion of environmental documentation and permitting of a project.