



FOR IMMEDIATE RELEASE

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**SUPREME COURT FINDS IN FAVOR OF INDIAN WELLS VALLEY GROUNDWATER AUTHORITY
IN FEE CHALLENGE BROUGHT BY DESERT PISTACHIO GROWER**

Ridgecrest, CA – The California Supreme Court has denied a request for rehearing a case challenging a fee required to preserve groundwater resources, brought by a farmer growing pistachio trees in an arid desert. This decision bars any claims for damages associated with the imposition of the fee and paves the way for an order to prevent further pumping. The ruling supports the Indian Wells Valley Groundwater Authority (IWVGA) in its efforts to manage the critical overdraft of the Indian Wells Valley Groundwater Basin.

The dispute centered on a replenishment fee adopted by IWVGA, formed by Kern County, Inyo County, San Bernardino County, the Indian Wells Valley Water District, and the City of Ridgecrest. This basin, spanning approximately 600 square miles across parts of these counties, is the region's sole water source, with groundwater levels declining since 1945. The Department of Water Resources has identified the basin as critically over drafted, with an estimated loss of about 25,000 acre-feet per year. The IWVGA implemented a replenishment fee of \$2,130 per acre-foot effective January 2021 to finance necessary infrastructure.

Mojave Pistachios, the party challenging the fee, argued it had the legal right to use nearly all available water for its cultivation activities. The Sustainable Groundwater Management Act (SGMA) mandates the creation of sustainability plans, and IWVGA's plan highlighted the basin's dependency on groundwater, its declining levels, and the lack of imported water. Despite continuing to pump water at an alarming rate, Mojave Pistachios failed to pay the fee, claiming it was an "illegal infringement on their water rights." The California Court of Appeals, however, disagreed, applying the "pay first, litigate later" rule, which requires disputed taxes to be paid before being challenged in court.

In a precedent-setting decision, the court applied this rule to the replenishment fee, emphasizing the importance of managing the critically over-drafted basin. The court asserted that allowing challenges without payment could undermine SGMA's goals. Furthermore, the court questioned the reasonableness of using limited groundwater for water-intensive crops like pistachios in a high desert. Mojave then brought a petition to the California Supreme Court along with the aid of high profile organizations such as the Howard Jarvis Association and the Western Growers Association. Despite all this legal firepower the Supreme Court summarily denied the request without any additional comment. With the issue now settled, IWVGA will ask the court for an order to stop pumping on June 14.

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Note: This press release is for informational purposes only and does not reflect any legal advice or opinion on the ongoing legal proceedings