

**TO:** Honorable Members of the California Legislature  
**FROM:** Over 200 Public Water Agencies, Water Associations, Cities, and Business Organizations  
**DATE:** August 20, 2018 (Originally Sent)  
**RE:** **OPPOSITION TO NEW STATEWIDE “OPT-OUT” WATER MANDATE**  
**SENATE BILL 845 (MONNING)**  
***New Twist on Statewide Water Tax Proposal***

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The coalition of over 200 public water agencies, water associations, cities, and business organizations listed below **urges the Legislature to REJECT this new statewide “opt-out” water mandate** for the following reasons:

- 1) **The proposal would impose a costly and complicated structure by requiring over 3,000 community water systems of all sizes to first solicit and then collect donations each month on customers’ local water bills to bypass local needs and be sent to Sacramento;**
- 2) **The proposal could be simplified by instead adding a new voluntary contribution fund check off to the California Form 540 and have it efficiently collected at a much lower cost by one state agency (the Franchise Tax Board);**
- 3) **SB 845 is unnecessary:**
  - A) **The Budget Conference Committee already acted on June 8, 2018 to reject the prior version of the budget trailer bill and instead set aside \$23.5 million General Fund dollars for safe drinking water to be allocated in August;**
  - B) **California voters just approved Proposition 68 in June with \$250 million for safe drinking water that is prioritized for disadvantaged communities;**
- 4) **It is an 11th-hour proposal: This new proposal did not go into print until the night of August 16, and **no policy committee has taken public testimony on this new proposal**. The proponents developed the proposed collection mechanism **without the input of the thousands of community water systems that would be charged with implementing it**; and**
- 5) **Adding this solicitation to local water bills may inadvertently exacerbate the issue of water affordability for some customers.**

If you have questions, please contact Cindy Tuck or Wendy Ridderbusch of the Association of California Water Agencies at (916) 441-4545, [cindy@acwa.com](mailto:cindy@acwa.com) or [wendyr@acwa.com](mailto:wendyr@acwa.com).

cc: The Honorable William W. Monning