

Hidden Valley Lake Community Services District

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February 16, 2018

The Honorable Bob Wieckowski, Chair Senate Budget Subcommittee No. 2 State Capitol, Room 4085 Sacramento, CA 95814

The Honorable Richard Bloom, Chair Assembly Budget Subcommittee No. 3 State Capitol, Room 2003 Sacramento, CA 95814

Re: Proposed Drinking Water Tax: Budget Trailer Bill and SB 623 - OPPOSE UNLESS AMENDED

Dear Chair Wieckowski and Chair Bloom,

I am writing to express our strong opposition to a proposed state tax on drinking water before the California Legislature. The proposal is being advanced through SB 623 by Sen. William Monning (D-Carmel), a two-year bill introduced in 2017, and a Brown Administration budget trailer bill that is based on SB 623. As a local water agency, we are committed to delivering safe and reliable water. We wholeheartedly support the goal of ensuring safe drinking water for all Californians, especially those in disadvantaged communities. However, taxing Californians for something that is essential to life does not make sense, especially at a time when some are raising concerns about the cost of living in the state. Our agency has serious concerns with requiring California's local water agencies to collect this tax for the state. Simply put, taxing drinking water—an essential life-sustaining resource—is just not sound policy.

As an alternative, we are working to advance a more appropriate package of funding, which would include existing federal funds from the Safe Drinking Water State Revolving Fund (SRF), voter-approved general obligation bonds, the assessments related to nitrates in groundwater proposed in the budget trailer bill and in SB 623, and a limited amount of general fund dollars.

For these reasons, Hidden Valley Lake Community Services District opposes the budget trailer bill related to a tax on drinking water and SB 623 and respectfully requests your "NO" vote on these measures.

If you or members of your staff have any questions, please contact me at 707-987-9201 or kcloyd@hvlcsd.org.

Sincerely,

Kirk Cloyd, General Manager

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cc: Members, Senate Budget Subcommittee No. 2

Members, Assembly Budget Subcommittee No. 3

The Honorable William W. Monning

Ms. Kim Craig, Deputy Cabinet Secretary, Office of the Governor