DEPARTMENT OF WATER



June 13, 2018

Service, Quality, Community

Honorable Jerry Brown Governor, State of California State Capitol, 1st Floor Sacramento, CA 95814 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

CC: The Honorable Jay Obernolte State Assembly, District 33, State of California State Capitol, Suite #4116, Sacramento, CA 94249

RE: Budget Trailer Bill: Safe and Affordable Drinking Water Fund

Position: Oppose unless amended

Dear Governor Brown, Honorable Chair Wieckowski and Honorable Chair Bloom:

On behalf of the City of Big Bear Lake Department of Water I am writing to urge you to amend or vote "No" on the budget trailer bill, unless the proposed tax on drinking water is removed and replaced with an acceptable funding source. Taxing one of the only goods that is absolutely essential to life, without allowing the public to vote, sets a dangerous precedent.

A tax on drinking water would work against the goal of keeping water affordable for Californians. In addition, communities such as ours that already have safe drinking water would not receive any benefit from the tax they pay, despite the fact that much of our service area is a disadvantaged community. Imposing new fees, essentially taxing our customers in order to fund community water systems outside of our area, is not a sound policy from either fiscal or local control standpoints.

As so eloquently stated by Bill Pommering, President of the Padre Dam Municipal Water District, in the San Diego Union Tribune, "The proposal to tax drinking water would force [water agencies] to add staff and to reprogram billing software to essentially become miniature state tax authorities. That will prove exceptionally difficult for small water districts already operating on a shoestring budget."

While we agree with the intent of the bill, forcing local water agencies and cities across the state to become a de-facto tax collector for the State of California is not the appropriate response to the problem and circumvents the intent of Proposition 218. We urge you to reconsider this element of the budget, oppose SB 623, and find alternative funding sources for those communities in need.

Thank you for considering our request.

Sincerely,

Don Smith, Chair

City of Big Bear Lake Department of Water Board of Commissioners

Email: DSmith@BBLDWP.com