

IWVWD General Manager's Column
March 9, 2018

“Brown Administration Advancing Tax on Water”

By Don Zdeba

The California legislature is considering a proposal to impose a tax on your drinking water. In March 2017, Senator Monning, a Democrat from Carmel, introduced Senate Bill 623 aimed at funding projects to assist disadvantaged communities that lack access to safe drinking water. The bill has been amended on various occasions throughout the past year, however language proposing the tax was added to the bill on August 21st, two days prior to the bill being heard in the Assembly Appropriations Committee. SB 623 was made a two-year bill September 1st and the Assembly Appropriations Committee referred the bill to the Assembly Rules Committee where it remains today.

Governor Brown released his proposed 2018-2019 budget in January. The summary document included language indicating the administration will be advancing the framework of SB 623. The California Department of Finance posted the budget trailer bill language February 1st with the SB 623 language essentially intact. If the Brown administration is not successful with the budget trailer bill, it is very likely Senator Monning will attempt to move SB 623. Whether the vehicle is a budget trailer bill or a policy bill, any proposal for a new tax requires a two-thirds majority vote of both the Assembly and the Senate.

The Association of California Water Agencies (ACWA), of which Indian Wells Valley Water District is a member, maintains an oppose-unless-amended position. IWVWD, along with over 132 other public water agencies, has signed onto an ACWA-led oppose-unless-amended coalition letter. IWVWD has also sent a separate letter of opposition to local legislators and committee members. The “talking points” ACWA emphasizes in opposing SB 623 are:

- The cost of living in California is already too high. Californians do not support a tax on drinking water.
- Adding a tax on drinking water works against the goal of keeping water affordable for Californians.
- Drinking water is essential to life. California does not currently tax water or essential food products. The public does not support taxing resources that are essential to life.
- This new law would turn local water agencies into tax collectors for the state of California.

ACWA believes access to safe drinking water is an important public health and social issue. It also believes there is a better way to address this issue. The state could use a

package of funds comprised of ongoing federal safe drinking water funds, general obligation bond funds, the assessments related to nitrates in groundwater proposed in the budget trailer bill and SB 623 and a limited amount of state general fund dollars. This package of funds is a far more appropriate way to address the issue.

The budget trailer bill was scheduled for hearings on Wednesday, March 14 in Assembly Budget Subcommittee #3 and on Thursday, March 15 in Senate Budget Subcommittee #2. IWVWD will be following this closely.

On a lighter note, our customers continue to meet our goal of reducing consumption by 20% compared to 2013, the year prior to mandatory restrictions being implemented by the State Water Resources Control Board. As of the end of February, we have achieved a 20.5% reduction since the IWVWD Board of Directors approved a voluntary 20% target in June 2016. Your individual efforts are truly appreciated.

For news on water issues, both statewide and local, be sure to “like” and regularly visit the District’s Facebook page (IWV Water District). Helpful hints on conservation and other valuable information can be found on our website, www.iwvwd.com.