City of Santa Rosa

August 21, 2017

The Honorable Lorena S. Gonzalez Fletcher, Chair
Assembly Appropriations Committee
State Capitol, Room 2114
Sacramento, CA 95814

Re: SB 623 (Monning) – OPPOSE UNLESS AMENDED

Dear Assembly Member Gonzalez Fletcher,

On behalf of the City of Santa Rosa, I am writing to express our opposition to SB 623 (Monning), which, if passed, would establish a Safe and Affordable Drinking Water Fund to be administered by the State Water Resources Control Board to assist those who do not have access to safe drinking water.

The City of Santa Rosa is an urban retail water supplier servicing approximately 175,000 residents in Sonoma County. Santa Rosa strongly supports and understands the need to solve longstanding water quality issues in California and ensure everyone has access to safe and affordable drinking water. While we appreciate Senator Monning's dedication to help seek and fund solutions to this critical issue, the City has concerns about funding that need to be addressed.

SB 623 passed through the Senate Appropriations Committee without language specifying who will pay into the fund, how an assessment will be made, or how much each individual or industry will contribute. According to the Association of California Water Agencies (ACWA), Senator Monning recently stated that he plans to insert language into SB 623 that would establish a "ratepayer assessment" (i.e. a tax or fee) on water as one of two funding sources for the measure. While there is a clear need to fund a sensible long-term solution and assist disadvantaged communities who do not have safe drinking water, a tax on local water bills is not the appropriate solution.

An additional tax would negatively impact low-income customers not only in Santa Rosa, but in communities across the state. Santa Rosa implemented the "Help 2 Others" customer assistance program that provides income-qualified customers a 50% discount on their fixed service charge for water and sewer. An additional state-wide tax or fee on water bills could increase the need for customers to enroll in this innovative local assistance program. Additionally, requiring local water agencies to collect a new tax for the state would negatively impact local economies and resources as there is the potential for the funds to never return to the local economy and/or ratepayers proportionally or even at all.

Office of the Mayor
100 Santa Rosa Avenue - Room 10 • Santa Rosa, CA 95404
Phone: (707) 543-3010 • Fax: (707) 543-3030
www.srcity.org

For these reasons, a tax on water is not the solution and will fail to provide Californian's access to safe and affordable water. Instead of a broadly applied tax or public goods charge on water ratepayers, the City of Santa Rosa believes money from the State's General Fund is a more appropriate funding alternative as access to safe and affordable water is a statewide social issue.

The City of Santa Rosa opposes SB 623 and respectfully requests your "NO" vote when this bill is brought before you in the Assembly Appropriations Committee.

Thank you for your attention to this matter. If you, or members of your staff, have any questions please contact Linda Reed, Deputy Director Administration at (707) 543-3946 or lreed@srcity.org.

Sincerely,

CHRIS COURSEY
Mayor

c: The Honorable William Monning
Honorable Members, Assembly Appropriations Committee
Ms. Jennifer Galehouse, Deputy Chief Consultant, Assembly Appropriations Committee
The Honorable Senator Mike McGuire, 2nd District
The Honorable Assemblyman Mark Levine, 10th District
The Honorable Assemblyman Jim Wood, 2nd District
Ms. Cindy Tuck, ACWA Deputy Executive Director for Governmental Relations
League of California Cities
Emanuels Jones

F:\COUNCIL\Mayor\SB 623_oppose.docx