



August 17, 2018

The Honorable Bill Monning
Senate Majority Leader
State Capitol, Room 313
Sacramento, CA 95814

Re: Proposed Drinking Water Tax: Senate Bill 845 - OPPOSE

Dear Senator Monning,

I am writing to express San Juan Water District's strong opposition to a proposed unprecedented and unwise state tax on drinking water. This regressive and inequitable mandatory "voluntary remittance" is being advanced through your legislation, Senate Bill 845.

As a local water agency, we are committed to delivering safe and reliable water. The goal of ensuring safe drinking water for all Californians, especially those in disadvantaged communities, is laudable and appropriate. However, creating a "voluntary" remittance that is implemented by mandatory charges on customer's water bills (unless they notify their water agency that they choose to pay a different amount) is inappropriate and regressive. 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. Requiring California's local water agencies to collect this mandatory charge for a statewide rather than a local purpose negatively affects the relationship we have with our ratepayers, particularly when we seek support for funding our own necessary local system improvements.

Water agencies do not currently have the staffing resources to collect a statewide charge such as this, particularly not one that has to be verified with every customer during every billing cycle. A far more efficient mechanism to implement this voluntary contribution would be via an additional voluntary contribution element on California's income tax form (Form 540.)

For these reasons, we **oppose** SB 845. If you or members of your staff have any questions, please contact me at (916) 791-6936 or phelliker@sjwd.org.

Sincerely,

Paul Helliker
General Manager

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

Directors

Edward J. "Ted" Costa

Marty Hanneman

Kenneth H. Miller

Dan Rich

Pamela Tobin

General Manager

Paul Helliker