

For Immediate Release

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Local Water Agencies Oppose Proposed Drinking Water Tax

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A Lake Tahoe regional coalition of local water agencies including, Tahoe City PUD, South Tahoe PUD, North Tahoe PUD, Truckee Donner PUD, Northstar CSD, Squaw Valley PSD, and Alpine Springs County Water District strongly opposes a legislative proposal to tax Californian's drinking water. Introduced in 2017 as Senate Bill 623, it is called the "Safe and Affordable Drinking Water Fee" and is aimed at residential and business water customers. This statewide water tax is proposed as a way to address a lack of access to safe drinking water for some people who live in rural, disadvantaged communities. We believe there are other effective solutions and appropriate funding strategies to address this important public health and social issue.

Your local, public water agencies are committed to providing safe and reliable water and support the intent of the bill. We understand the severity of the problem and the need for solutions. However, taxing Californians' water is not the solution. The effect of the bill would essentially tax Californians for something that is essential to life, erode the affordability of water for local water users, turn hundreds of local water agencies into taxation entities that send money to Sacramento, impact families just above low-income thresholds, and would open the door to future taxes on water customers.

Most Californians have likely not heard of this proposed new tax. We believe our customers should be aware of this legislative proposal and our efforts to actively oppose it, unless amended to remove the water tax as a funding mechanism. Fortunately, we stand with a growing coalition of local water agencies across California who are pushing back against the proposed tax because it deprives them of local control and unfairly imposes a tax on a basic necessity of life, your drinking water.

For questions, contact your local water purveyor. Additional information can be found at <u>https://www.acwa.com/resources/no-water-tax-video/</u>.

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