

GOVERNOR

Don't be fooled by an unfair and unnecessary water tax

By Erik Hitchman
and Tom Coleman

A proposal to impose a tax on drinking water in California has reared its head again, and the public should beware of the enormous burdens it would bring.

This time around, the tax is carried in the proposed budget of Gov. Gavin Newsom, who wants to establish a fund to upgrade water systems in disadvantaged communities.

This so-called Safe and Affordable Drinking Water Fund is a replay of last year's SB 623, which was scrapped as part of a compromise on the state budget.

That legislation was followed by a similar proposal by then-Gov. Jerry Brown, who eventually abandoned the idea for lack of support in the Legislature.

The proposal was widely opposed by water agencies, businesses, associations and cities in California because it would harm customers and business development.

Newsom's proposed tax would mimic SB 623, calling for an additional 95 cents per month — \$11.40 annually — for retail water customers and up to \$10 per month for businesses.

Newsom's budget also includes nearly \$5 million from the General Fund to set up the fee collection system, develop a map of high-risk groundwater basins and adopt an annual plan to use the tax money.

For the Puente Basin Water Agency, a joint powers authority between Rowland Water District and Walnut Valley Water District that protects the local water supply, the implications of this proposal are daunting.

Newsom's tax would cost San Gabriel Valley residents served by the two districts almost \$500,000 a year, jeopardizing the many families and small-business owners who already have a hard time making ends meet.

What's more, the proposal would turn thousands of water agencies into tax collectors for the state. That would mean hiring additional staff and instituting software changes instead of pursuing projects to



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develop the local, reliable water sources that safeguard us in times of drought.

Instead of taxing a vital, life-sustaining resource, we support state legislation sponsored by the Association of California Water Agencies and California Municipal Utilities Association to create a Safe Drinking Water Trust.

The trust would be funded with General Fund dollars during a state budget surplus year and would create an ongoing source of funding to help community water systems in disadvantaged communities provide access to safe drinking water.

Taxing something that is essential to life is not sound policy, nor does it keep water affordable for all Californians.

We should be seeking alternatives to pay for clean water systems, including federal funds, general obligation bonds and using money from fertilizer and dairy fees to pay for nitrate-related remedies.

Perhaps Newsom should tap in to the state's \$14.8 billion budget surplus.

A February 2018 statewide survey on behalf of ACWA found that 73 percent of voters oppose the legislation and

would prefer using existing funding sources to improve water quality for the communities needing assistance.

Most of the small water systems and private well users that would benefit are in the Central Valley, where water quality is degraded by agricultural pesticides, arsenic and other contaminants.

We are confident that we can collaborate with state officials to ensure safe drinking water for the small percentage of California's population who are lacking.

Rather than a harmful, top-down approach, let's work together to find a solution to a pressing social issue in our state.

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