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ORANGE COUNTY WATER DISTRICT
ORANGE COUNTY'S GROUNDWATER AUTHORITY

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June 13, 2019

The Honorable William Quirk
California State Assembly
State Capitol
P.O. Box 942849
Sacramento, CA 94249

RE: State Water Resources Control Board: local primacy delegation: funding stabilization program (AB 402) - Oppose Unless Amended

Dear Assemblymember Quirk:

The Orange County Water district (OCWD; the District) is respectfully opposed to Assembly Bill 402 unless it is amended to address our concerns. AB 402 would authorize the State Water Board to establish and collect fees on all public water systems in order to subsidize regulatory oversight costs of local primacy agencies (LPAs).

AB 402 enables the creation of a water tax affecting all public water systems, which works against keeping water affordable. Public water agencies required to pay the tax would need to pass the cost of the tax onto all of their customers. Authorizing the State Water Board to create a water tax also establishes a precedent in the state of California for other water taxes. Taxing Californians for something that is essential to life simply does not make sense, especially at a time when some are raising concerns about the cost of living in the state. Affordable water is a key element of the Human Right to Water.

Additionally, pending legislation SB 414 allows the State Water Board to authorize consolidations of small water systems that fail to provide safe drinking water will likely reduce the regulatory oversight costs of LPAs, reducing the need for this bill. Existing law already grants LPAs expansive fee authority.

The Honorable William Quirk
June 13, 2019
Page 2 of 2

The District believes the Senate Environmental Quality Committee should vote "no" on AB 402 unless amended to clarify that the bill does not authorize the State Water Board to assess fees on all public water systems to subsidize the oversight costs of local primacy agencies.

For these reasons, OCWD respectfully opposes AB 402 unless it is amended. Please contact OCWD Legislative Affairs Liaison Alicia Dunkin at (714) 477-3750 or adunkin@ocwd.com, or me, if you have any questions and/or if we may be of any assistance to you or your staff.

Sincerely,



Vicente Sarmiento, Esq.
President