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**ORANGE COUNTY WATER DISTRICT**  
ORANGE COUNTY'S GROUNDWATER AUTHORITY

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April 26, 2022

The Honorable Jesse Gabriel  
State Capitol  
P.O. Box 942849  
Sacramento, CA 94249

**RE: AB 2142 (Gabriel) Income Taxes - Exclusion - Turf Replacement Water Conservation Program - Support**

Dear Assemblymember Gabriel:

The Orange County Water District (OCWD; the District) writes in support of AB 2142 Income Taxes - Exclusion - Turf Replacement Water Conservation Program. OCWD is a global leader in water resiliency and is dedicated to the development of a sustainable, safe water supply for 2.5 million people. Home to the Groundwater Replenishment System (GWRS), the world's largest water recycling project, the GWRS is undergoing its final expansion. When completed in 2023, it will recycle 100% of the reclaimable water in our service area, producing 130 million gallons of water a day—enough for one million people.

AB 2142 will reinstate an exemption for turf replacement rebates from gross income in California, aligning it with certain other permanently exempt water efficiency rebates. Taxing water efficiency rebates is a disincentive for households to participate in these programs. Even with incentives, most households will need to invest a significant amount of their own income to replace lawns with drought-tolerant landscaping. Furthermore, taxing these rebates is an especially significant barrier for low-income households who participate in these programs.

Please contact us should you need any additional information. Legislative Affairs Liaison Alicia Dunkin may be reached at (714) 477-3750 or [adunkin@ocwd.com](mailto:adunkin@ocwd.com) to help facilitate any questions you may have.

Sincerely,

Denis R. Bilodeau, P.E.  
Director