

NO Water Tax

No on
SB 623

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FAQs on SB 623: A Proposal to Tax Californian's Drinking Water

ACWA strongly opposes a recently released proposal to tax Californian's drinking water. This first-ever 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.

ACWA is committed to developing effective solutions and advancing appropriate funding strategies to address this important social issue. However, an eleventh-hour effort in the Legislature to impose a statewide tax on water – as proposed in SB 623 (Monning) – is **NOT** the right funding solution.

Here are some frequently asked questions on the issue:

Q: Why do some disadvantaged communities lack access to safe drinking water?

A: There are some rural disadvantaged communities in California with water sources that have been impaired by contaminants such as nitrates and arsenic. Treatment solutions are financially out of reach for these communities. This is a serious public health social issue. ACWA and the water community have put forth solutions to solve it.

Q: What does SB623 propose?

A: SB 623, by Sen. Bill Monning (D-Carmel), seeks to establish a statewide tax on residential and business water bills in California to fund solutions. Monning is calling the tax the "Safe and Affordable Drinking Water Fee." If passed, the bill would levy California's first-ever statewide tax on water. The money raised through the tax would go into a fund to be administered by the State Water Resources Control Board.

Q: Why does ACWA oppose a statewide tax on water?

A: ACWA supports a funding package for disadvantaged communities that lack safe drinking water, but it wants the RIGHT solution. To impose a statewide, regressive tax on Californians' water bills would turn hundreds of agencies into taxation entities that send money to Sacramento. It also is not sound policy to tax something as fundamental as water which is essential to life. Adding a tax on water also works against the goal of keeping water affordable. This proposed tax on water also would be precedent-setting and could open the door to more taxes on water in the future.

Q: What does ACWA propose as a solution?

A: ACWA believes that this important public health and social issue requires focused state leadership. Therefore, dollars from the state's General Fund, packaged with ongoing funds from the Safe Drinking Water State Revolving Fund (SRF), general obligation bonds, and an assessment proposed by agriculture and environmental justice organizations related to nitrates in groundwater is the right drinking water approach.

Q: Why is this issue being decided in the last weeks of session?

A: The author of SB 623 waited until the last weeks of session to release the language on the proposed water tax. This is NO way to make public policy. Such issues should be debated openly and fully. The tax provisions have not been heard by any policy committees.

Q: What can I do to help?

A: ACWA and its members, public water agencies throughout California, are asking you to contact your local legislators to ask them to vote against SB 623. Write a letter to your local newspaper. Share ACWA's key messages on your social media channels and use the hashtags #NoOnSB623 and #SB623. For more information visit ACWA's website at www.acwa.com/no-water-tax.

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ACWA is a statewide association of public agencies whose more than 440 members are responsible for about 90% of the water delivered in California. For more information, visit www.acwa.com.