SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors **AGENDA NO. V-E**

FROM: Ed Fortner, General Manager

Meeting Date: June 6, 2019

Subject: WATER TAX UPDATE

RECOMMENDED ACTION:

Receive report from the General Manager. Discussion and possible action.

FISCAL IMPACT:

None

DISCUSSION:

At the May 2, 2019 Board Meeting an update was given on the proposed water tax in AB 217 and the opposition letter to State legislators and the Governor written by the GM. In that letter, SSWD opposed AB 217 and supported SB 669, which proposes the revenue stream for the benefit of disadvantaged water systems come from State surpluses. Since that update, AB 217 has advanced out of committee with amendments and still has the water tax element.

As of May 16, 2019, SB 669 has been held in Senate Appropriations and will not be considered for another year. This action follows Senate Budget Subcommittee No. 2 taking action May 15 to reject Governor Newsom's budget trailer bill with its proposed water tax and instead approve $150 million in General Fund dollars be appropriated annually to the Safe And Affordable Drinking Water Fund. The GM will keep the board updated as this issue proceeds.