



Date

The Honorable Bill Dodd
California State Senate
State Capitol, Room 2082
Sacramento, CA 95814

Dear Senator Dodd:

Re: SB 222 (Dodd) – Water Affordability Assistance Program – Oppose Unless Amended

The San Gabriel Valley Water Association would like to respectfully advise you of our opposition to SB 222 unless it is amended to reflect stakeholder consensus on a funding source. SB222 would establish a low-income rate assistance program within the State Water Resources Control Board. The San Gabriel Water Association’s 60 members provide drinking water to 2 million residents in 31 cities through special districts, municipal utilities, investor-owned utilities, and not-for-profit mutual water companies.

We share a strong concern about the affordability of necessary water service to many California residents, but at this time we have a position of oppose-unless-amended for SB 222, because aside from not proposing a funding source, the bill takes a one-size-fits-all approach that leaves significant terms undefined and successful implementation doubtful.

The Final Report from AB 401 documented the wage stagnation for lower income households even as the cost to provide water service continues to rise due to “the multitude of upward cost drivers.”¹ According to the Report, 24% to 34% of households would qualify for rate assistance at the income threshold of 150% or 200% of the Federal Poverty Level, respectively at a potential cost of \$600 million statewide. This magnitude of overall cost makes it important to understand the source of revenue to support the program, however the outreach to bill sponsors by our legislative advocates to open a discussion of possible alternatives was met with an absolute no.

Congress continues to work on a national approach to low-income water rate assistance. For example, the Senate Environment and Public Works Committee just reported out a water infrastructure bill that includes a pilot program to work out challenges for providing direct bill

¹ Low-Income Water Rate Assistance Final Report, February 2020; p. 49. See also pp. 17-20.

assistance, renters assistance, and ensuring the qualifications of those to receive aid. More amendments are likely as the Congressional process moves, but it is clear federal lawmakers recognize these are thorny issues, and no less difficult for a state program the size and scope envisioned by SB 222.

We would welcome the opportunity to discuss changes to the approach taken in SB 222. For questions or more information on our views, please contact Paul Gonsalves, our advocate in Sacramento.

Sincerely,

Greg Galindo
President
SGVWA

cc: Chair Ben Hueso, Energy, Utilities and Communications Committee
Vice Chair Brian Dahle, Energy, Utilities and Communications Committee
Ms. Nidia Bautista, Chief Consultant, Energy, Utilities and Communications Committee
Mr. Anthony Zampello, Executive Secretary, SGVWA
Mr. Paul Gonsalves, Joe Gonsalves and Associates