



Express support to SB 669
(Caballero, D-Salinas): Water
Quality: Safe Drinking Water Fund
Communications and Legislation Committee
Item 8-7
March 11, 2019

Summary of SB 669

- Creates irrevocable Safe Drinking Water Trust (Trust) to provide perpetual source of funding for newly created Safe Drinking Water Fund
- Creates Safe Drinking Water Trust Commission comprised of Lieutenant Governor, Treasurer, and Controller to administer Trust
- Safe Drinking Water Fund will be administered by State Water Resources Control Board
- Sponsored by Association of California Water Agencies (ACWA) and California Municipal Utilities Association (CMUA)

Background

● Water Trust

- Principal initially funded with General Fund dollars during budget surplus years
- Net income from principal would be transferred to Safe Drinking Water Fund and funds would be continuously appropriated

● Safe Drinking Water Fund may pay for:

- Replacement water
- Consolidation of community water systems
- Planning, construction, operation and maintenance costs for system improvements

Background (cont'd)

- Addresses public health concerns in disadvantaged communities that rely on noncompliant water systems
- Provides dedicated funding source to build, operate and maintain sustainable infrastructure
- Provides funding for consolidating community water systems
- Proposes progressive funding mechanism by using General Fund dollars only in surplus years
- Does not add administrative and economic burden on water systems and their ratepayers

Options

- Option #1
 - Authorize General Manager to express support for SB 669 (Caballero)
- Option #2
 - Take no position on SB 669 (Caballero)

Recommended Action

- Option #1
 - Authorize General Manager to express support for SB 669 (Caballero)

