



March 24, 2017

The Honorable Ana Caballero
30th Assembly District
State Capitol
VIA Email: Enedina.Garcia@asm.ca.gov

Dear Assemblywoman Caballero:

Subject: Support if Amended – AB 577(Disadvantaged Communities)

The California Association of Mutual Water Companies (“Cal Mutuals”) is an organization representing California’s not-for-profit mutual water companies throughout the state, many of which are small systems serving disadvantaged communities.

AB 577 is key to ensuring that disadvantaged communities with an annual per capita income that is less than 80 percent of the statewide annual per capita income are able to access funds to help ensure effective and efficient provision of safe, affordable, and reliable drinking water and wastewater treatment services.

In 2014, Cal Mutuals successfully ensured that mutual water companies were included as “eligible applicants” for water bond funding. However, many water systems are hindered from accessing grant funding due to the current definition of “disadvantaged community,” which does not take into account a community’s per capita income. Our work with many of the systems we represent has highlighted the need to include a per capita income in the definition of a “disadvantaged community.”

We fully support AB 577, but request that Section 1 of the bill, which would amend Water Code Section 79505.5, be amended to read: “(a) “Disadvantaged community” means a community *within a public water system with* an annual median household income that is less than 80 percent of the statewide annual median household income or a community with an annual per capita income that is less than 80 percent of the statewide annual per capita income.”

The addition of “**within a public water system with**” in that section will ensure the full intent of AB 577 reaches communities in critical need of funding.

Mutual water companies play a vital role in providing water to many of the state’s residents. We support your landmark work in assisting water systems throughout California so they can continue to provide safe and affordable water to their customers.

Sincerely yours,

Denise Peralta Gailey
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