



March 30, 2021

The Honorable Eduardo Garcia
California State Assembly
State Capitol Building, Room 4140
Sacramento, CA 95814

Dear Assemblymember Garcia:

Subject: AB588 (E. Garcia): Planned Regulatory Compliance – SUPPORT

The California Association of Mutual Water Companies (CalMutuals) thanks you for introducing AB588 that, if enacted, will provide water systems up to three (3) or more years to implement plans to comply with new safe drinking water standards. Furthermore, AB588 will require that the State Water Resources Control Board (SWRCB) consider the funding needs of small and disadvantaged communities which may not be able to immediately afford treatment systems to comply with a new or revised safe drinking water standard. These two provisions in AB588 will help stop the current “race to the bottom” triggered by the implementation of new drinking water standards when some communities can not afford the treatment systems available to larger and wealthier communities.

AB588 includes provisions requiring that water systems report progress in meeting new drinking water standards during the “planned compliance period.” This is important in encouraging consumer confidence and in keeping water systems accountable for safeguarding against long-term health threats. AB588 provides the methodology, safeguards, and time allowing larger water systems to create economies of scale that make treatment methods more affordable for smaller water systems.

Building new water treatment systems to comply with new drinking water standards requires planning, financing, community engagement, and construction. Currently, when a small water system can’t immediately comply upon adoption of a new drinking water standard, state regulators may issue a notice of violation (NOV). The NOV creates a “race to the bottom” when even the acquisition of loans becomes difficult because the impacted source of water can’t be pledged for sale to pay the debt of building the treatment system, during the planning, entitlement, and construction stages. Furthermore, with state grant programs taking years to result in actual financial help, using outside financing to bridge the time lag and build a project is impossible once an NOV has been issued. AB588 goes a long way in averting the current regulatory framework that traps small water systems in non-compliance and risk of failure.

AB588 also provides the SWRCB and the Division of Drinking Water (DDW) discretion to immediately issue orders for compliance by all water systems when a contaminant threatens immediate harm to the public. The determination of immediate threats from water contamination is often addressed by abandoning an affected water source, or taking short-term measures to replace a source until treatment can be identified and built when health threats are imminent.

AB588 allows water systems to methodically comply with new standards for contaminants that have been assessed to present *long-term* health threats. Such standards are the result of advances in technology that allow for the detection of ever smaller molecular-level traces of contaminants. The corresponding treatment technologies to meet such standards at their inception is also increasingly expensive, requiring advances in science and engineering. The planned

1370 N. Brea, Blvd., Suite 134, Fullerton, CA 92835
714 449-8403

approach to compliance provided in AB588 will go a long way in making sure that small water systems and those serving disadvantaged communities are not left hopelessly behind in complying with new standards. After all, a regulation some can't afford isn't protective of public health, and punishment through NOVs and related potential fines only widen(s) inequality.

Once again, we thank you for your introduction of AB588 which CalMutuals is proud to be a sponsor and advocate for its passage. If enacted, AB588 will help all water systems find an equitable path towards compliance with new drinking water standards, while providing the SWRCB and DDW the flexibility to implement them in measure with their urgency.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'Adán Ortega', with a period at the end.

Adán Ortega
Executive Director
California Association of Mutual Water Companies