November 30, 2018

The Honorable Senator Dianne Feinstein

U.S. Senate

Via Email: Lucy\_Xiao@feinstein.senate.gov

Dear Senator Feinstein,

**We (name of company) write to ask that you cosponsor S. 1090, the Water and Agriculture Tax Reform Act of 2017.** This legislation provides critical support to our operations in California by allowing for additional non-federal investment in water infrastructure.

Mutual Water Companies are member-owned water supply organizations categorized as 501(c)(12) not-for-profit entities. In order to maintain that not-for-profit status, current law requires that no less than 85 percent of the costs of water infrastructure projects are paid for by members themselves. This rule disincentivizes investment in the maintenance of existing infrastructure and the construction of new infrastructure.

The Water and Agriculture Tax Reform Act would allow our company to use additional revenue from non-member sources to fund water infrastructure projects without jeopardizing its non-profit status. For instance, the bill would allow our company to generate additional revenue by selling excess land or leasing excess water rights and using the proceeds to improve service or invest in water-saving infrastructure improvements.

We are pleased that the U.S. House of Representatives passed this important legislation in July of this year on suspension as H.R. 519 and that bill is now pending in the Senate. By adding your name to S. 1090, you can help enact this legislation into law and assist hundreds of small water systems.

Thank you for your consideration of our request and we look forward to working with you.

Sincerely,

Name

Job Tile

Contact Information