

**RESOLUTION**

WHEREAS, any official position of the City of Los Angeles (City) with respect to legislation, rules, regulations, or policies proposed to or pending before a local, state, or federal government body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, the Los Angeles Department of Water and Power (LADWP) is the largest municipal utility in the United States. Established in 1902, LADWP exists to support the growth and vitality of the City of Los Angeles, its residents, businesses, and the communities it serves, by providing safe, reliable, and cost-effective water and power in a customer focused and environmentally responsible manner; and

WHEREAS, the "Water Conservation Rebate Tax Parity Act" would exclude from gross income, under personal income and corporation tax laws, amounts received as a rebate, voucher, or other financial incentive issued by a local water agency for participation in water conservation, water use efficiency, storm water runoff improvement programs, and wastewater management programs; and

WHEREAS, the State of California (State) is currently facing some of the most significant water challenges seen in the last half-century, including aging critical water infrastructure, intermittent, multi-year periods of dry conditions, and water shortages, impacting water reserves and the State's ability to meet public demand during a major disruption to its water delivery system; and

WHEREAS, it is imperative that the State focus on creating a sustainable water future through the effective management of surface waters and groundwater, together with enhanced water use efficiency and conservation, water reuse, and stormwater capture and utilization; and

WHEREAS, Assembly Bill 2142 was signed into law by Governor Gavin Newsom in September of 2022 which reinstated the California personal tax exemption for turf replacement rebates and helped incentivize participation in these important water saving programs; and

WHEREAS, LADWP is currently working to achieve the City of Los Angeles' sustainability goals and State water use reduction requirements signed into law in 2018 in response to California's more frequent and prolonged droughts. Programs that provide customers with rebates, subsidies, and financial incentives for water-saving devices, appliances, and projects are valuable tools to promote water use efficiency and conservation; and

WHEREAS, the LADWP offers customers a variety of rebates and subsidies for water-efficient appliances, turf replacement with California Friendly landscaping, and other water-saving projects that can lead to significant cost savings, in addition to promoting conservation as a way of life; and

WHEREAS, the tax exclusion provided by The Water Conservation Rebate Tax Parity Act increases the value of water use efficiency incentive programs, storm water management incentive programs, and wastewater management incentive programs and the attractiveness of water-efficient projects and devices. As such, this bill would also support the City's efforts to reach its sustainability goals, meet State mandates, and reduce its reliance on purchased, imported water:

NOW, THEREFORE, BE IT RESOLVED, that by adoption of this Resolution, with the concurrence of the Mayor, the City of Los Angeles hereby includes in its 2025-2026 Federal Legislative Program SUPPORT for the Water Conservation Rebate Tax Parity Act and similar state or federal legislation that provides tax exclusions for financial incentives issued by a local water agency for participation in water conservation,

  
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water use efficiency and/or storm water runoff improvement programs.

PRESENTED BY: Adrin Nazarian  
ADRIN NAZARIAN  
Councilmember, Second District

SECONDED BY: Cassidy

**ORIGINAL**