April 26, 2017

The Honorable Robert Hertzberg California State Senate State Capitol Building Sacramento, CA 95814

RE: SENATE BILL 640 – OPPOSE

Dear Senator Hertzberg:

On behalf of the California Groundwater Association (CGA), I am writing to respectfully oppose your legislation, SB 640 which seeks to implement taxes on services.

Many of the CGA's member companies are third and fourth generation, family owned businesses that would be negatively impacted if taxes were imposed on the well drilling services they provide. We believe that imposing additional taxes on services will contribute to California's already difficult business climate.

Therefore, we must oppose your legislation.

The California Groundwater Association is a non-profit organization that has promoted protection of groundwater since 1948. CGA's members include water well drilling and pump contractors, suppliers and manufacturers, geologists, engineers, hydrologists, government employees and others working in the groundwater field. CGA represents over 15,000 groundwater professionals working with water well owners throughout California. Beyond maintaining high standards in the groundwater industry, the CGA is devoted to providing continuing education to its members and furnishing accurate information to the public regarding the quantity, quality and availability of California's groundwater resources.

Sincerely,

Ron Hedman President

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