



August 5, 2026

The Honorable Sasha Renée Pérez
California State Senate
1021 O Street, Suite 6720
Sacramento, CA 95814

**Re: SB 1417 (Pérez) – Mutual Water Companies: Assessments and Water Charges
Notice of Opposition – City of Upland**

Dear Senator Pérez:

The City of Upland respectfully opposes SB 1417 (Pérez), which would establish additional transparency and public notice requirements for mutual water companies (MWCs) proposing to levy an assessment or increase water charges by more than 20%.

The bill's expansion of entities eligible to inspect mutual water company records is highly questionable. Unlike shareholders, tenants, and certain elected officials who are directly affected by a mutual water company's operations, neighboring water agencies generally have no governance, ownership, or oversight relationship with the company and therefore should not receive expanded access to company records.

It is clear that existing law already provides significant transparency. MWCs are currently subject to numerous governance and transparency requirements under California law, including open meeting, recordkeeping, and inspection requirements. Secondly, the bill creates duplicative procedures rather than addressing a demonstrated statewide deficiency. Since existing boards are accountable to the shareholders who elect them, SB 1417 creates further redundancies.

If passed, this bill will cause major issues for local governments, creating unnecessary administrative burdens, delaying urgently needed infrastructure investments, and increasing costs without improving water quality. Additionally, the website and publication requirements are impractical, and the twenty-percent threshold may be misleading for residents. Unfortunately, this bill embodies a one-size-fits-all approach, and while solutions like these are practical for implementing policy, they have widespread negative effects on local governments like our city.

The City of Upland believes that better alternatives exist, and rather than imposing new mandates on every MWC, the Legislature could tailor solutions on a community-by-community basis, ensuring everyone wins. Possible alternative legislation includes encouraging voluntary best practices, providing technical assistance for shareholder communications, target reforms to companies with documented governance issues, and funding to help small MWCs improve customer outreach. Providing these tools and solutions will help communities thrive and answer the specific needs they may deal with.



City of Upland

Mayor's Office

For these reasons, the City of Upland respectfully opposes SB 1417. Thank you for your consideration of the City's concerns and for your continued service to the residents of Upland, California.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bill Velto", is written over a light blue horizontal line.

Bill Velto
Mayor, City of Upland

CC: The Honorable John Harabedian
The Honorable Michelle Rodriguez
The Honorable Eloise Reyes