



CITY OF BEVERLY HILLS

455 NORTH REXFORD DRIVE • BEVERLY HILLS, CALIFORNIA 90210

Lili Bosse, Mayor

September 13, 2022

The Honorable Gavin Newsom
Governor, State of California
1021 O Street, Suite 9000
Sacramento, CA 95814

Re: AB 2142 (Gabriel) Income taxes: exclusion: turf replacement water conservation program.
City of Beverly Hills – REQUEST FOR SIGNATURE

Dear Governor Newsom,

On behalf of the City of Beverly Hills, I am pleased to express the City's **SUPPORT for AB 2142 (Gabriel)** and respectfully request that you **SIGN** this measure into law when it reaches your desk. This bill would exempt from taxable income any rebate, voucher, or other financial incentive received in connection with a turf replacement water conservation program.

California has seen its share of droughts over the years, and this year is no exception. In a report by the Department of Water Resources called "Water Year 2021, an Extreme Year," the department discusses the drought in California noting that:

Water Year 2021 (October 1, 2020 to September 30, 2021) was an extreme year in terms of temperature and precipitation, and it followed a Water Year 2020 that was likewise warm and dry. Water Year 2020 was California's fifth driest year based on statewide runoff; Water Year 2021 has ended up as second driest.

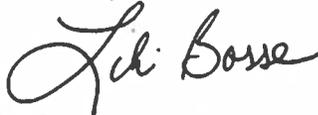
The report also notes that water reservoirs and ground water in California are at historically low levels. Due to these dire conditions, 50 counties are under emergency proclamations. These impacts can be mitigated if Californians use less water.

California has permanently exempted other water efficiency rebates, recognizing their effectiveness in advancing efficiency objectives. Rebates for water efficient toilets and clothes washers; certain plumbing for recycled water; and energy conservation are all permanently exempt from both personal and corporate taxes in California. Turf replacement programs, like these other rebates, play an important role in continued water efficiency and conservation efforts.

AB 2142 will reinstate an important exemption for turf replacement rebates from gross income in California, aligning it with certain other permanently exempt water efficiency rebates.

For these reasons, the City of Beverly Hills respectfully requests that you take action to **SIGN AB 2142 (Gabriel)** into law. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Lili Bosse". The signature is written in a cursive, flowing style.

Lili Bosse

Mayor, City of Beverly Hills

Cc: The Honorable Jesse Gabriel, Assemblymember, 45th District
The Honorable Ben Allen, Senator, 26th District
The Honorable Richard Bloom, Assemblymember, 50th District
Andrew K. Antwih, Shaw Yoder Antwih Schmelzer & Lange