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**Date:** March 19, 2025

**To:** The Honorable Board of Directors                      **From:** Shivaji Deshmukh, General Manager

**Committee:** Community & Legislative Affairs

**Staff Contact:** Alyson Piguee, Director of External & Government Affairs

**Subject:** Adopt Positions on Federal Legislation (Community & Leg)

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**Executive Summary:**

Congress will be deliberating two proposed Bills which align with IEUA’s legislative priorities and policy principles.

**1. HR 1267: The Water Systems PFAS Liability Protection Act**

On April 10, 2024, the Environmental Protection Agency (EPA) issued a final rule on Perfluorooctanoic acid (PFOA) and Perfluorooctane sulfonic acid (PFOS) Hazardous Substances. The final rule lacks explicit liability protections for public water and wastewater utilities, as well as biosolids management. As a result, staff recommends the Board to take a support position on the HR 1267 (Perez and Maloy), titled the Water Systems Per- and polyfluoroalkyl substances (PFAS) Liability Protection Act, which would provide protections from lawsuits for PFAS contamination for water system entities that are not PFAS polluters but ‘passive receivers’ of PFAS. This is a reintroduction of HR 7944 (Curtis), which the Board had previously voted to support and had the backing of the California Association of Sanitation Agencies (CASA). The Water Systems PFAS Liability Protection Act (HR 1267) would ensure that water utilities can continue to focus their efforts on maintaining water quality and would be exempted from liability. The bill describes a “protected entity” as a public water system; a publicly or privately owned or operated treatment works; a municipality that has been issued a permit for stormwater discharges; a political subdivision of a state or a special district of a state acting as a wholesale water agency; a contractor performing the management or disposal activities; and other entities described throughout the bill.

**2. Pending Reintroduction: The Water Conservation Tax Parity Act**

Representative Huffman, along with Representative Moore and Senators Padilla and Curtis, are planning to reintroduce the Water Conservation Rebate Tax Parity Act. Currently, energy conservation rebates are excluded from an individual's taxable income. This legislation would expand the exclusion to water conservation or efficiency measures, stormwater management measures, and wastewater management measures from taxable income. The IEUA Board had previously taken a “Support” position on H.R. 8682, which was the version of this proposed measure introduced in the 118th Congress in 2024.

Draft bill language is provided in the background attachment.

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**Staff's Recommendation:**

Staff recommends that the Board adopt positions on the following bills:

<b>Bill Number</b>	<b>Author</b>	<b>Bill Title</b>	<b>Position Recommendation</b>
HR 1267	Perez	The Water Systems Liability Protection	Support
Pending Reintroduction	Huffman	The Water Conservation Parity Act	Ratify Support

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**Budget Impact** *Budgeted (Y/N): N Amendment (Y/N): N Amount for Requested Approval*

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**Regional Sewerage** *Technical Committee (Y/N): N  
Policy Committee (Y/N): N*

**Attachments:**

Attachment 1 - [HR 1267 \(Perez\) Bill Text](#)

Attachment 2 - [Water Conservation Tax Parity Act \(Huffman\) Bill Text](#)