February 12, 2021

The Honorable Anna Caballero

California State Senate

State Capitol, Room 5052

Sacramento, CA 95814

**Re: SB 351 - The California Water Innovation Act (Support)**

Dear Senator Caballero,

On behalf of [Organization], thank you for introducing Senate Bill 351, The California Water Innovation Act. SB 351 creates the Office of Water Innovation, which would work with stakeholders across the water sector to identify regulations that stifle innovation, and would establish a Water Innovation Fund to help local water users adopt innovative technologies.

California recently suffered its most severe drought in over a millennium. By the end of this century, state experts estimate the Sierra Nevada snowpack, which provides about 60 percent of the state’s drinking water, will experience a 48-65 percent loss from its historical April 1 average. To improve California’s drought resilience in the face of climate change, aging infrastructure, and ecological challenges, technological innovation represents a cost-effective way to better manage the water we currently have.

However, despite being a world leader in innovation and entrepreneurship, water technology accounts for less than one percent of California’s venture capital investments. Meanwhile, rival technology hubs in Israel, Australia, Spain, and elsewhere are racing to develop new industry clusters around water technology entrepreneurship. SB 351 sends a strong signal that California intends to lead the upcoming technological revolution in the water sector, as it has in so many other sectors of the economy.

For these reasons, [Organization] is proud to support SB 351.

Sincerely,