



SB998 – Discontinuation of Residential Water Service: Urban and Community Water Systems

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Senate Bill No. 998 Background

- Bill was signed by the California Governor on September 28, 2018
- Applies to public water systems that supply water to more than 200 service connections
- Bill Objective: Minimize the number of Californians who lose access to water service due to inability to pay
- EMWD will need to be compliant with all aspects of this Senate Bill by February 1, 2020






SB998 Activity to Date

- Informational update to the Board of Directors May 2019
- Regional workshop held May 8, 2019
 - 7 local agencies in attendance
- Created a submission process June 2019
 - Online web form
 - Paper form
- Requirements for current billing system completed July 2019
 - Partnered with Information Systems to determine programming changes
 - Identified business processes to update for implementation

60 Day Provision

A water provider shall not discontinue residential service for nonpayment until a payment by the customer has been delinquent for at least 60 days.

Day	Current Process	Proposed Process
1	Bill Mailed	Bill Mailed
21	Bill Due	Bill Due
26	Past Due Notice, Late Fee (\$25)	Past Due Notice 1, Late Fee (\$25)
35	Final Notice	Past Due Notice 2 
40	Reminder Auto-Call	
45	Shutoff Scheduled/Door Hanger	Reminder Auto-Call 1 
46	Service Disconnected	
50	Account Closed for Non-payment	
55		Past Due Notice 3
65		Reminder Auto-Call 2
72		Final Notice
77		Shutoff Scheduled/Door Hanger
83		Service Disconnected
88		Account Closed for Non-payment

Requirements for Amortization Plan

- A water system shall not discontinue residential service for non-payment if all of the following conditions are met:
 - **Medical**: Customer or tenant of the customer submits certification from a primary care provider that discontinuation of residential service will be life threatening or pose serious threat to health and safety of residents and;
 - **Financial**: Customer or any member of the customers household is a recipient of an assistance program (i.e. CalWorks, CalFresh, Medi-Cal, Supplemental Security Income, etc.) or annual income is less than 200% of the Federal poverty level and;
 - **Repayment Program**: Customer is willing to enter into an amortization agreement, alternative payment schedule, or a plan for deferred or reduced payment.

How We Plan to Address Amortizations

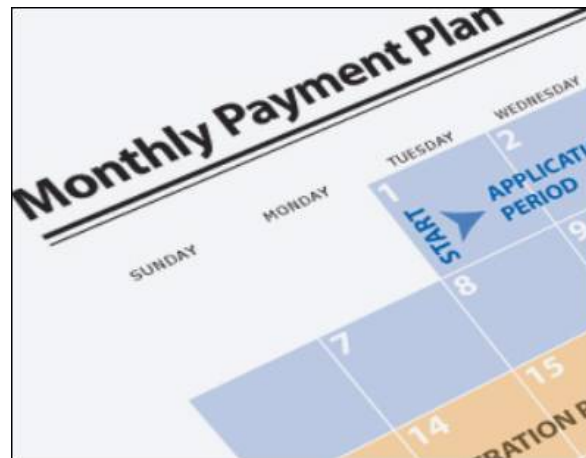
- Customer Service will manage process internally
- Request other utility bill showing CARE enrollment for financial eligibility
 - SCE
 - SoCal Gas
- Review Documents Submitted
 - Assistance Program or Financial information
 - Medical certification
- Amortization
 - Respond to customer and set amortization
 - Not to exceed 12 months

2019 - 2020 Federal Poverty Guidelines (Continental United States)				
Household Size	100% FPL Annual Gross	185% FPL Annual Gross	200% FPL Annual Gross	250% FPL Annual Gross
1	\$12,490	\$23,107	\$24,980	\$31,225
2	\$16,910	\$31,284	\$33,820	\$42,275
3	\$21,330	\$39,461	\$42,660	\$53,325
4	\$25,750	\$47,638	\$51,500	\$64,375
5	\$30,170	\$55,815	\$60,340	\$74,425
6	\$34,590	\$63,992	\$69,180	\$86,475
7	\$39,010	\$72,169	\$78,020	\$97,525
8	\$43,430	\$80,346	\$86,860	\$108,575



Policy of Discontinuation Requirements

- Written policy on discontinuation of residential service for nonpayment in English, Spanish, Chinese, Tagalog, Vietnamese, Korean and any other languages spoken by 10% or more people residing in the service area.
- Policy of discontinuation shall include:
 - Payment options
 - A formal mechanism to contest or appeal a bill
 - Service discontinuation shall not happen while an appeal is pending

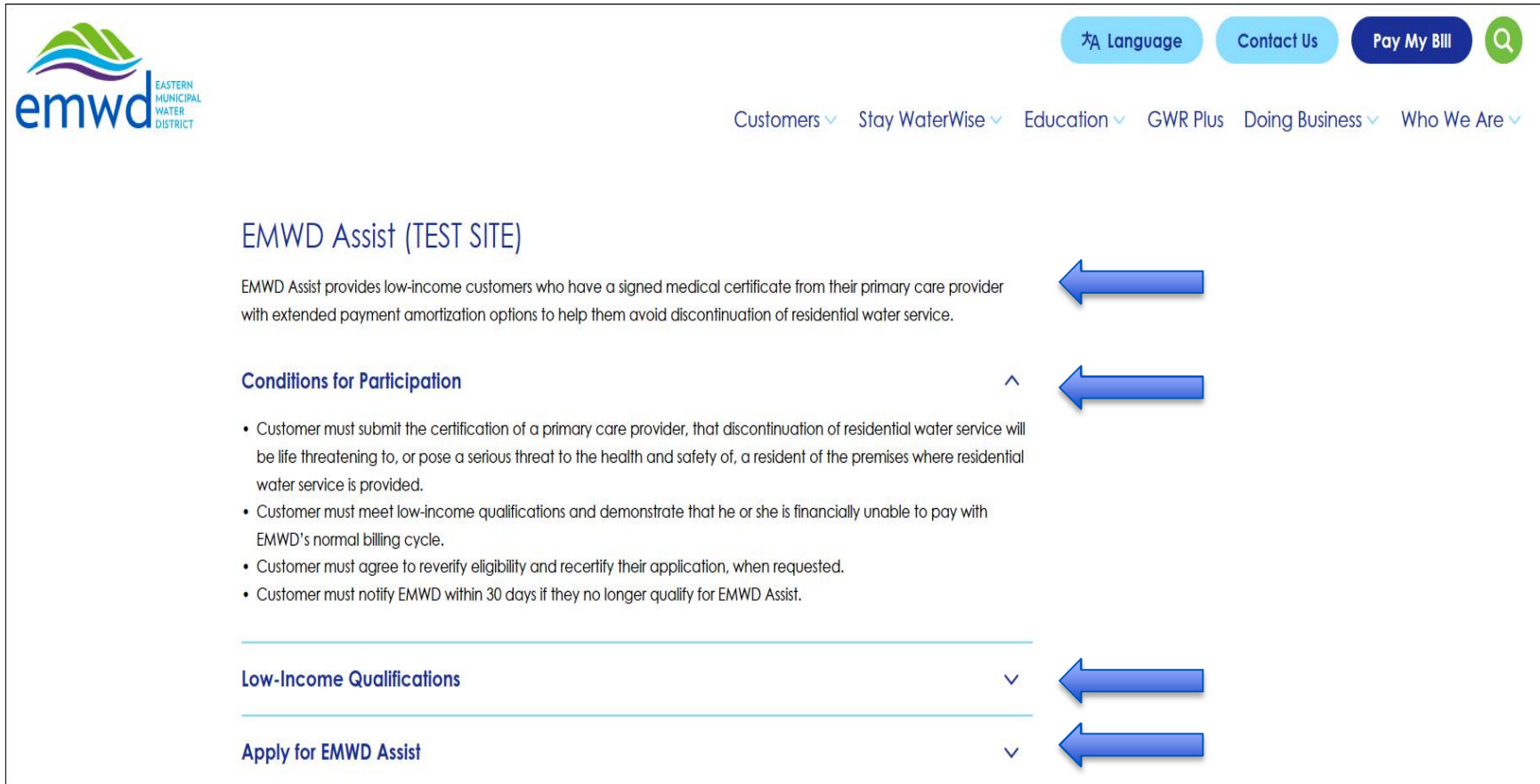


Actions Taken for Policy of Discontinuation Requirements

- Updated customer billing notices
 - Addition of 6 languages on required notices
- Internal appeals review process established
 - No shut off during appeal
- EMWD website updated
 - “EMWD Assist”
 - Web form to submit eligibility documentation
 - Formal appeal process instructions posted



EMWD Assist: Conditions for Participation



The screenshot shows the EMWD Assist page with the following elements:

- Header:** emwd EASTERN MUNICIPAL WATER DISTRICT logo on the left. Navigation buttons for Language, Contact Us, Pay My Bill, and a search icon on the right. A secondary navigation menu with links for Customers, Stay WaterWise, Education, GWR Plus, Doing Business, and Who We Are.
- Section:** EMWD Assist (TEST SITE)
- Description:** EMWD Assist provides low-income customers who have a signed medical certificate from their primary care provider with extended payment amortization options to help them avoid discontinuation of residential water service.
- Section:** Conditions for Participation (with an upward arrow icon)
- List-Group:**
 - Customer must submit the certification of a primary care provider, that discontinuation of residential water service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential water service is provided.
 - Customer must meet low-income qualifications and demonstrate that he or she is financially unable to pay with EMWD's normal billing cycle.
 - Customer must agree to reverify eligibility and recertify their application, when requested.
 - Customer must notify EMWD within 30 days if they no longer qualify for EMWD Assist.
- Section:** Low-Income Qualifications (with a downward arrow icon)
- Section:** Apply for EMWD Assist (with a downward arrow icon)

Other Process Improvements

- Account aging – outstanding balances over 60 days
 - Current Aging Rate 2.7%
- Anticipating SB998 will impact account aging and collections
- New debt collection paths
 - Franchise Tax Board
 - Property Tax Rolls
- Set standard guidelines for Customer Service Staff regarding delinquency inquiries



Reconnection Fees - Low Income Customers

Statutory Requirement:

- For residential customer who demonstrates to an urban and community water system that their household income is below 200 percent of the Federal Poverty Level (FPL)*, the urban and community water system shall set reconnection fees as follows:

EMWD Current Fee	EMWD Required Fee Under SB 998
Reconnection Fee (business hours) \$55.00	Reconnection Fee (business hours) \$50.00
Reconnection Fee (non business hours) \$215.00	Reconnection Fee (non business hours) \$150.00

* Federal poverty guidelines for a family of four set 200% of Federal Poverty Level (FPL) for income at \$50,200 per year



Next Steps

- Administrative Code recommendations - September 2019 Board Meeting
- Reconnection Fee recommendations - October 2019 Board Meeting
- Billing system changes and testing completed - November 2019
- SB 998 implementation - February 2020



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