

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
Seattle Public Utilities	Kahreen Tebeau/206-471-8116	Saroja Reddy/206-615-1232

* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.

1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to Seattle Public Utilities’ Emergency Assistance Program; temporarily expanding access to assistance; and amending Section 21.76.065 of the Seattle Municipal Code.

Summary and background of the Legislation: The ordinance would amend aspects of the Emergency Assistance Program (EAP), which is operated by Seattle Public Utilities (SPU).

Currently, the EAP provides emergency bill assistance to households with income at or below 80% of the State Median Income (SMI). It provides a credit toward the eligible customer’s current outstanding balance, up to a maximum dollar limit set in SMC and revised annually to reflect the growth in SPU’s combined bills. For 2021, this dollar limit is \$461. The amount of the EAP credit cannot exceed \$461 and cannot exceed the customer’s outstanding balance.

Households *without* children can get one of these credits per year, and households *with* children in the household can get two of these credits per year.

The proposed ordinance would allow households *without* children to also access two EAP credits in 2021, so that all income-eligible households can access two EAP credits, for a total maximum assistance of \$922, in 2021. This proposed change is designed to help SPU customers who have experienced financial hardships during the COVID-19 crisis and resulting economic fallout.

Allowing all income-eligible households to access two EAP credits in 2021 will help low-income customers get their balances and arrears under control and will also help prevent shut-offs of low-income households if SPU resumes shut-offs later in 2021 (exact timing dependent on final expiration of Washington State and City of Seattle shut-off moratoria).

It is estimated this change could result in a 47% increase, amounting to \$490,000, in EAP credits and costs in 2021, plus \$45,000 in administrative costs for temporary or overtime staffing, for a total estimated cost impact of \$535,000.

Revenue Impacts and Costs Associated with Proposed Program Changes

Proposed Changes and Projected Costs Impact	2021
Allowing all income-eligible households to access two EAP credits (foregone revenue)	\$490,000
Administrative costs associated with temporary staffing or overtime	\$45,000
Total Impact	\$535,000

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ___ Yes ___ X No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ___ Yes ___ X No

Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?
No.

Is there financial cost or other impacts of *not* implementing the legislation?
Not implementing this legislation would negatively impact SPU's ability to reduce the number delinquencies and water shut-offs among low-income customers.

4. OTHER IMPLICATIONS

- a. Does this legislation affect any departments besides the originating department?
No.
- b. Is a public hearing required for this legislation?
No.
- c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?
No.
- d. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?
No

e. Does this legislation affect a piece of property?

No.

f. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?

This legislation would increase assistance to certain eligible households through the Emergency Assistance Program (EAP) operated by Seattle Public Utilities. The EAP provides emergency bill assistance to lower-income households to assist in paying their SPU utility bill, getting out of delinquency, reducing outstanding debt owed, and avoiding a water-shut for non-payment. People of color, people with disabilities, and historically disadvantaged communities are disproportionately represented in lower-income households, so expanding this program will disproportionately assist these communities.

g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).

This legislation would temporarily increase assistance to certain eligible households through the Emergency Assistance Program operated by Seattle Public Utilities. The goal is to reduce the number of low-income households experiencing account delinquency and ballooning past-due arrears as a result of COVID and the resulting economic fallout. This will also help reduce service disconnections for low-income households if utility shut offs are resumed in 2021

List attachments/exhibits below: