

Summary and Fiscal Note

1. Legislation Summary

Department: Seattle Public Utilities

Title: An ordinance relating to emergency assistance for Seattle Public Utilities customers; amending Section 21.76.065 of the Seattle Municipal Code to adjust program terms and conditions and expand eligibility guidelines for emergency bill assistance.

Background: The ordinance would amend aspects of the Seattle Public Utilities (SPU) Emergency Assistance Program (EAP).

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 2026, the maximum single credit amount is \$537. Households without minors can get one credit per year, and households with minors can get two credits per year. The credits cannot exceed the customer's outstanding balance.

This ordinance would achieve the following:

1. Expand assistance by increasing the income threshold from 80% SMI to 80% of Area Median Income as computed annually by the United States Department of Housing and Urban Development in the Multifamily Tax

Subsidy Projects Income Limits for the Seattle-Bellevue, WA Metro Fair
Market Rent Area.

2. Expand assistance by allowing all households, regardless of the presence of minors, to access the maximum amount of credit, to be defined in Director's Rules and based on the average of 4 months of SPU charges.
3. Authorize and direct SPU to establish rules pursuant to Chapter 3.02 so that program administrative details can be moved out of the SMC and into SPU Director's Rules to allow the program to adapt more quickly to evolving customer needs.

These proposed changes are designed to expand access to EAP from 26,000 SPU customers to 36,000 and allow any eligible customer to the full assistance amount regardless of the age of household members. This change would provide assistance to more SPU customers who may be experiencing financial hardships and need assistance to prevent water shut-offs.

It is estimated that this program expansion could result in approximately \$1M more in emergency assistance each year for SPU customers. With the change going into effect in April 2027, the estimated impact for 2027 is \$700,000.

2. Capital Improvement Program (CIP)

Does this legislation create, fund, or amend a CIP Project?

☐ Yes

☒ No

3. Summary of Financial Implications

Does this legislation have financial impacts to the City?

☒ Yes

☐ No

a. Revenue Change to Other Funds

2026	2027 est.	2028 est.	2029 est.	2030 est.
	(700,000)	(1,000,000)	(1,050,000)	(1,100,000)

3b. Revenues/Reimbursements

This legislation adds, changes, or deletes revenues or reimbursements.

Anticipated Revenue/Reimbursement Resulting from This Legislation:

Fund Name and Number	Dept.	Revenue Source	2026 Revenue	2027 Estimated Revenue
43000 – Water Fund	SPU	Water Service		\$(180,000)
44010 – Drainage and Wastewater Fund	SPU	Sewage Service		\$(308,000)
Solid Waste Fund	SPU	Solid Waste Services		\$(212,000)
TOTAL	SPU			\$(700,000)

3d. Other Financial Impacts

a. Does this legislation create any other financial impacts for The City of Seattle, such as direct or indirect costs, one-time or ongoing, that aren't mentioned above? If yes, please explain these impacts.

No.

b. If the legislation has costs that can be covered within the current budget, explain how. Does the department have extra resources in its budget to handle

these costs? Or does the department need to shift resources away from other work to handle these costs?

This legislation does not have budgetary spending impacts. The impact to SPU will be reduced revenue through expansion of the emergency assistance program.

c. What financial costs or other impacts might happen if this legislation is not implemented?

This legislation provides relief to SPU customers that are unable to pay their utility bill. If this legislation is not adopted, the status quo will remain, and the expanded pool of eligible customers would not have access to this assistance program.

d. How might this legislation affect other City departments besides the one that proposed it?

No.

4. Other Impacts

a. Does this legislation require a public hearing?

☐ Yes

☒ No

b. Does this legislation require a notice to be published in The Daily Journal of Commerce and/or The Seattle Times?

☐ Yes

☒ No

c. Does this legislation affect a piece of property?

No.

d. Race and Social Justice Initiative impacts:

1. How does this legislation affect vulnerable or historically disadvantaged communities? How did you come to this conclusion? Please consider both impacts within City government (like employees and internal programs) and in the broader community.

This legislation expands access to SPU's Emergency Assistance to approximately 13,000 additional low-income customers by increasing the income limit to 80% of Area Median Income.

Further, this legislation expands the amount of assistance available to households without minors, to better support vulnerable senior households, at the recommendation of SPU's frontline staff.

2. Please attach any Racial Equity Toolkits or other racial equity analyses used to develop or assess this legislation.

Based on the median household income by race and by age, utility cost burden disproportionately impacts people of color and people aged 65 and older. This legislation increases access and expands assistance to SPU customers with incomes up to 80% AMI to help prevent past due bills and water shutoffs.

3. What is the Language Access Plan for communicating with the public about this legislation?

The Utility Assistance Interdepartmental Team (IDT) is coordinating with the Office of Immigrant and Refugee Affairs (OIRA) and the Department of Neighborhoods' Community Liaisons to develop and implement a comprehensive language access plan that will support public communications for this legislation and the broader expansion of Utility Assistance programs.

Our language access strategy includes:

- Distributing targeted press releases to ethnic media partners to share the information through their established community channels.
- Collaborating with community-based organizations that serve non-English-speaking communities to share translated information and culturally relevant messaging.
- Offering interviews and proactive outreach to in-language media outlets to support a smooth and accessible rollout.
- Updating program webpages, currently available in more than 15 languages, to reflect the changes introduced by the legislation and ensure that multilingual information is accessible and easy to navigate.

This work is integrated into the broader communications plan for the expansion of the Utility Discount Program and Seattle City Light's Emergency Bill Assistance program.

e. Climate change impacts:

1. Emissions: Will this legislation significantly increase or decrease carbon emissions? Attach any studies or materials that inform your answer.

No.

2. Resiliency: Will this legislation make Seattle more or less able to adapt to climate change? If it reduces resiliency, explain what can be done to lessen the impact.

No impact.

f. If this legislation creates a new program or expands an existing one, what are the long-term, measurable goals? How will this legislation help achieve those goals? What methods will be used to track progress?

The goal of the SPU Emergency Assistance program is to prevent water shutoffs by assisting residential customers who experience episodic financial hardships in paying their bills. This is tracked by assessing residential customer delinquency rates, especially of those enrolled in the Utility Discount Program.

g. Does this legislation create a non-utility CIP that involves shared funding with a non-City partner or organization?

No.