



SCV
WATER

Continued Discussion of a Ratepayer Assistance Program

Update

- February 2022, staff presented Ratepayer Assistance Programs
 - Program on hold pending SB 222
 - To establish a Water Rate Assistance Program and Water Rate Assistance Fund to provide water affordability assistance for drinking and wastewater services to low-income ratepayers)
- SB 222 passed at the end of session.
 - Governor Newsom vetoed the bill
 - There was “no funding identified”
 - It would create “an ongoing program that would require all community water systems and wastewater systems to participate”
 - “Would result in significant General Fund pressures in the billions of dollars to provide such assistance.”
- SCV Water registered with LIHWAP as a participating water system in April 2022
 - No known payments received to date from this program
 - Expires August 2023, unless extended
 - Governor added \$200 million to the program with the 2022-23 budget
- SCV Water offers extended payment plans – up to 12 months – to avoid disruption of service.

Agencies Offering a Ratepayer Assistance Program?

- Cucamonga Valley Water District (benchmark)
- LADWP (benchmark)
- Torrance Municipal Water (benchmark)
- Crescenta Valley Water District
- Rowland Water District
- Contra Costa Water District
- Elsinore Valley Municipal Water District
- East Bay Municipal Water District
- Palmdale Water District

A Simple Estimate of Assistance

- According to Santa Clarita Economic Development Corporation in 2022, 7.3% (21,807) of families in the Santa Clarita Valley, out of a population (298,731), lie below the poverty level
- Assuming 4 residents per water account $21,807/4 = 5,452$ accounts
- Assuming assistance of \$10 off the fixed charge
- Annual cost would be (5,452 accounts X \$10 per account per month x 12 months) \$654,240
- An alternative would be to fixed the annual allocation to the program

Where Would the Funding Come From?

- For an Agency program, non-rate revenues could be used
 - 1% Property Tax
 - Cell Lease/Rental Income
- Currently non-rate revenues are used to offset the need for higher rates for all customers
- Funding would ultimately reduce the pay-go budget until a new cost of service study and new rates were adopted

Guidance

- Is there interest in pursuing further development of a ratepayer assistance program?
- What is the desired amount of monthly assistance per account?
- What amount of funds would be desired or provided for the program on an annual basis?
 - Other non-rate revenue sources would need to be identified

OR

- Wait to see if new legislation is introduced which addresses the lack of identified funding in the vetoed SB 222

Potential Policy Guidelines

- If there is a consensus to move forward, staff recommends these policy guidelines
 1. Use the CARE program to determine income eligibility
 2. Establish a priority for Seniors >62, veterans and the permanently disabled
 3. Only residential, individually metered accounts will be eligible
 4. Require that the eligibility account (SCE or SoCalGas) be in the same name as the SCV Water account holder
 5. Require account holders to requalify each fiscal year

Recommendation

- That the Finance and Administration Committee review and discuss a Ratepayer Assistance Program and provide further direction to staff



Household Size	FERA Income Eligibility Lower and Upper Limits*	CARE Income Eligibility Upper Limit**
1-2	Not eligible	\$36,620
3	\$46,061 - \$57,575	\$46,060
4	\$55,501 - \$69,375	\$55,500
5	\$64,941 - \$81,175	\$64,940
6	\$74,381 - \$92,975	\$74,380
7	\$83,821 - \$104,775	\$83,820
8	\$93,261 - \$116,575	\$93,260
Each Additional Person	\$9,440 - \$11,800	\$9,440
<p>*Fera Lower Limit Calculation = 200% of Federal Poverty Guidelines (CARE) + \$1 Fera Upper Limit Calculation = 250% of Federal Poverty Guidelines</p> <p>**CARE Upper Limit Calculation = 200% of Federal Poverty Guidelines</p>		



- You must meet either of the following conditions:
 - If you or another person in your household receives benefits from any of these programs (you must provide documentation showing benefits):
 - Bureau of Indian Affairs General Assistance
 - CalFresh (Food Stamps)
 - CalWORKs (TANF)/ Tribal TANF
 - Head Start Income Eligible (Tribal Only)
 - CARE Program (Gas Company)
 - Low Income Home Energy Assistance Program (LIFEAP)
 - Medi-Cal/Medicaid
 - Medi-Cal for Families
 - National School Lunch Program
 - California Lifeline (Phone Company)
 - Supplemental Security Income (SSI)
 - Women, Infants & Children (WIC)

• Total income for all members in the household meets the guidelines listed below. "Income" means all income received in the prior calendar year, including but not limited to social security, interest income, salaries, wages, pensions, rents, commissions, and capital gains. Proof of total household income includes federal and state income tax returns for the prior year, or if no tax return was filed, other proof of total household income satisfactory to the District.