



Affordability
Legislation Update

**MI-ACE
2023**

85th Annual Conference & Exhibits

34A3

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The slide features a blue and green border. On the left, there is a vertical image of blue water with white foam. The text is centered on the right side. At the bottom, there is a small orange bar with white text.

1



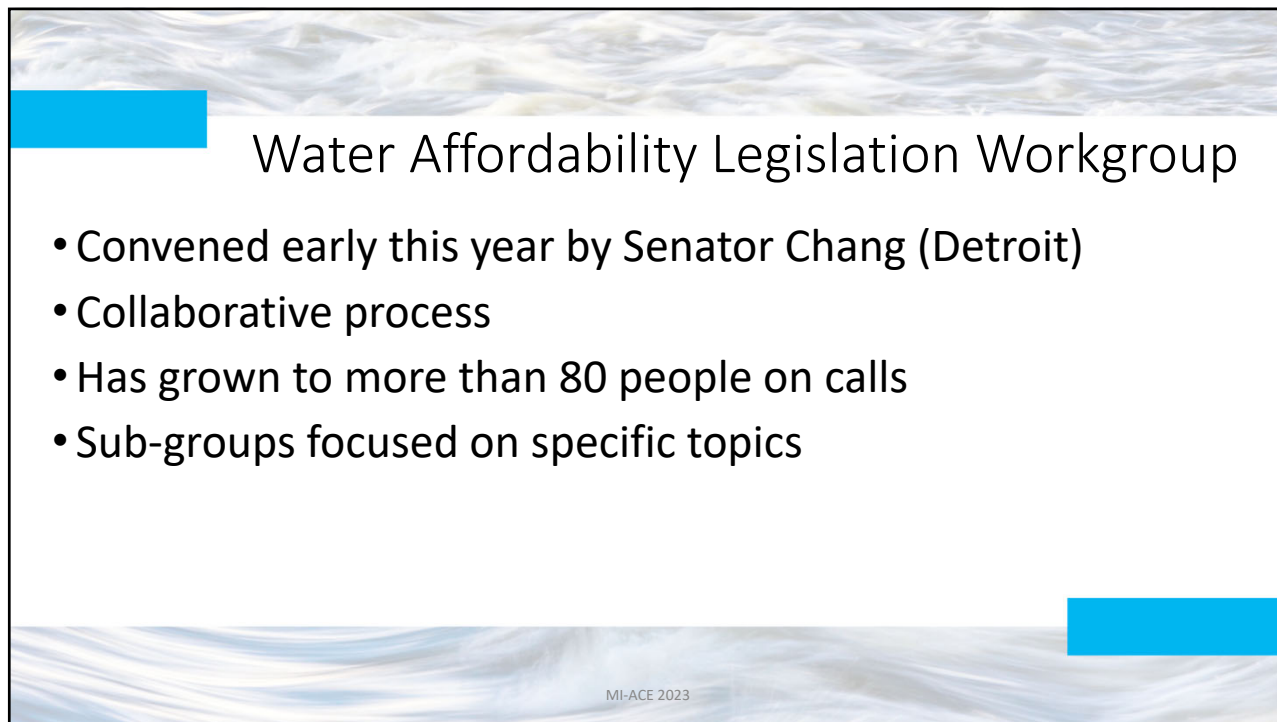
Water Affordability IS...
Equitable, Accessible, Safe, Sustainable

Community Level Household Level

It is NOT...
Free Assistance Only
Solutions that are not sustainable

The diagram shows two blue rounded rectangles, one labeled 'Community Level' and one labeled 'Household Level'. They are connected by two blue curved arrows: one at the top pointing from Community to Household, and one at the bottom pointing from Household to Community. A blue wavy line is at the bottom of the slide.

2

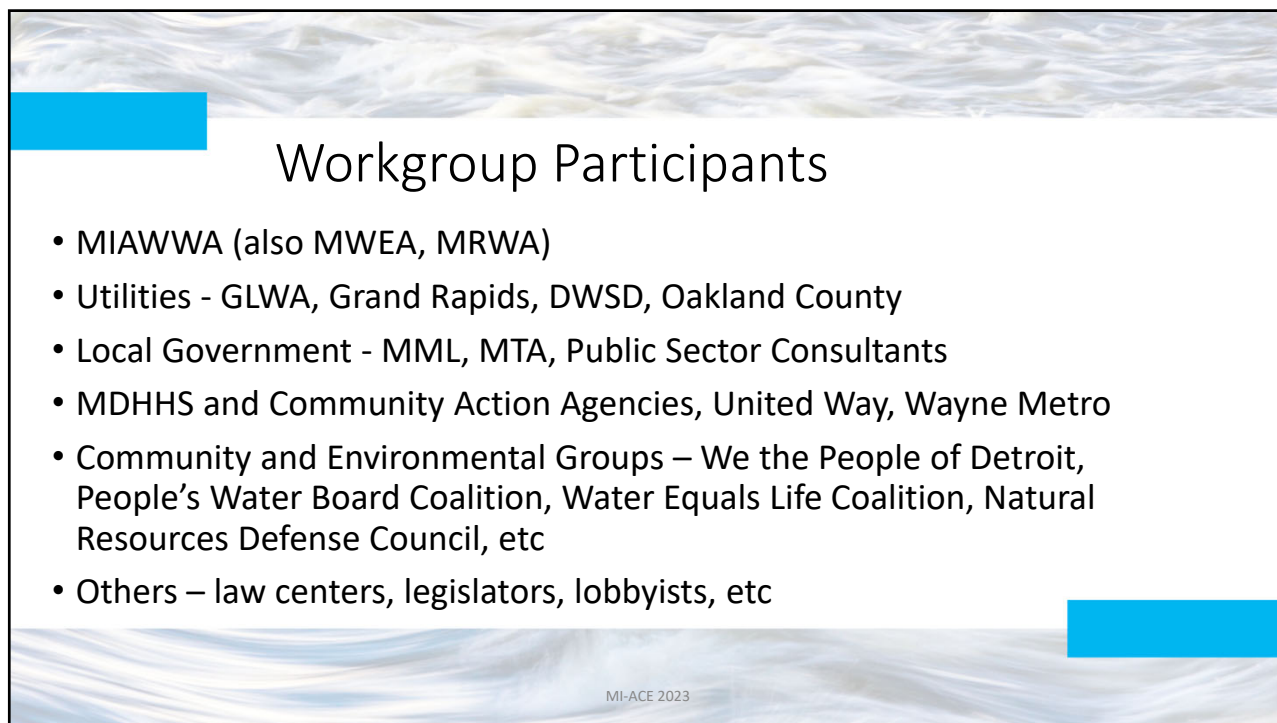
A presentation slide with a background of rippling water. A blue horizontal bar is at the top left. The title 'Water Affordability Legislation Workgroup' is centered. Below it is a bulleted list of four items. A blue horizontal bar is at the bottom right. The text 'MI-ACE 2023' is centered at the bottom.

Water Affordability Legislation Workgroup

- Convened early this year by Senator Chang (Detroit)
- Collaborative process
- Has grown to more than 80 people on calls
- Sub-groups focused on specific topics

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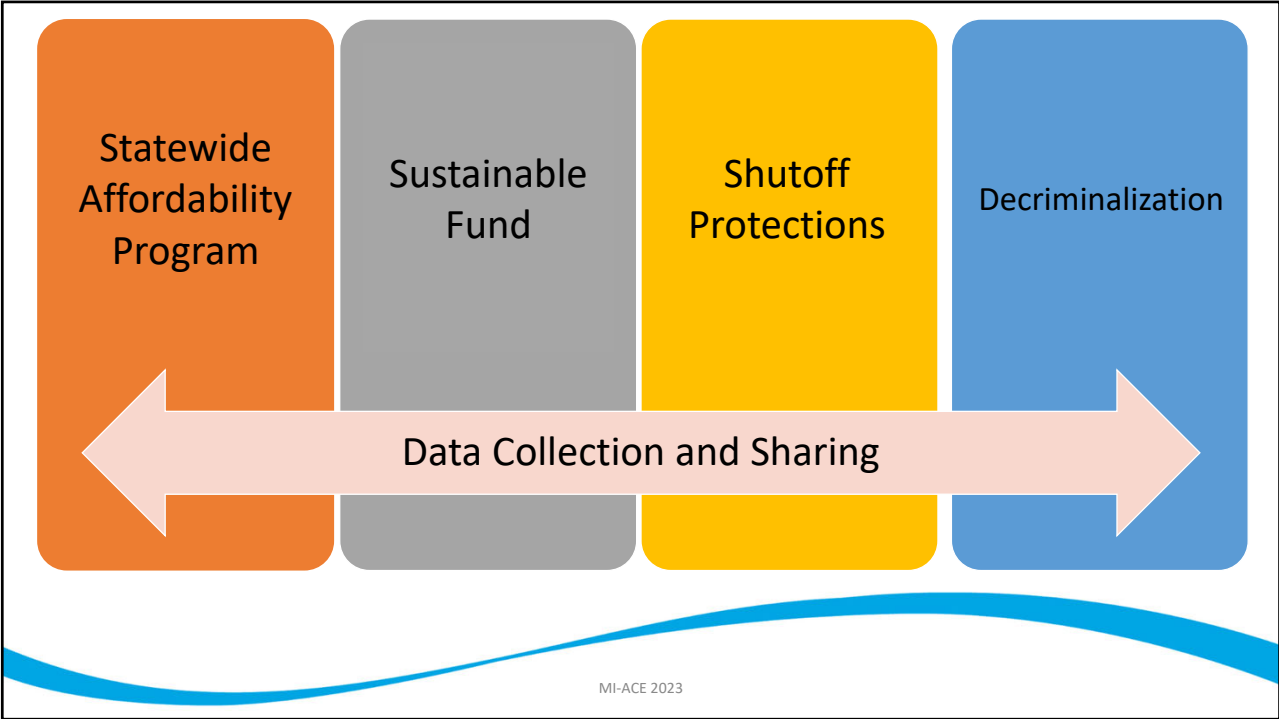
A presentation slide with a background of rippling water. A blue horizontal bar is at the top left. The title 'Workgroup Participants' is centered. Below it is a bulleted list of seven items. A blue horizontal bar is at the bottom right. The text 'MI-ACE 2023' is centered at the bottom.

Workgroup Participants

- MIAWWA (also MWEA, MRWA)
- Utilities - GLWA, Grand Rapids, DWSD, Oakland County
- Local Government - MML, MTA, Public Sector Consultants
- MDHHS and Community Action Agencies, United Way, Wayne Metro
- Community and Environmental Groups – We the People of Detroit, People’s Water Board Coalition, Water Equals Life Coalition, Natural Resources Defense Council, etc
- Others – law centers, legislators, lobbyists, etc

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Disclaimer:

Information shared here is based on current drafts... additional changes are expected.

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Statewide Affordability Program

- Households with income <200% of Federal poverty level have water bills capped at <3% of income
- Customer pays their portion and the utility receives the “gap payment” for the remainder of the bill from the program
- State program administered through MDHHS and third party organizations such as Community Action Agencies or United Way
- All utilities must participate. Utilities can have their own program if it is equal to or better than the statewide program.
- Implementation guided by a task force and rolled out over 18 months

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Sustainable Fund

- Supported by:
 - State funding
 - \$2 per month (or equivalent) charge on all water meters – customer fee
- Designated fund that can only be used for water affordability program
- Fund cannot be diverted or rolled into the general fund
- Can be used for “gap payment” reimbursement, paying down customer arrearages, residential plumbing repairs/upgrades, covering administrative costs

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Shutoff Protections

- Protects critical care customers and those who cannot afford to pay
- Outlines steps for communicating with customer when shutoff is pending for non-payment
- Provides standard language to inform customer of the affordability program and how to enroll
- Does not affect shutoffs necessary to maintain and operate water system safely or in response to an emergency

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Decriminalization

- Reduces penalty for restoring water service after shutoff for non-payment from 5 year felony to a misdemeanor offense
- Cannot cause pose a public health risk by tampering with or damaging meters, backflow/cross-connection protection, AMI endpoints, etc

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Data Sharing and Transparency

- Also drafted by Senator Chang
- MIAWWA has been involved in shaping the bill
- Currently separate from affordability legislation
- Statewide and utility level data is crucial
- Anticipate further updates to draft bill based on data gaps and needs identified in Senator's workgroup

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What's Next?

- For Legislation...
 - Final drafts in the near future
 - Introduction of the bills this fall – still time to change things after
 - Then the real fun begins... committee hearings, legislative meetings

Do you know your Senator and Representative?

- For MIAWWA
 - Infographics and key messages
 - Resource Library
 - Education and Training

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Questions?



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