

# SB 998 PAYMENT PLAN Q&A

## **1. Why did the shut-off policy change?**

- a. The Water Shutoff Protection Act (SB 998), was signed by former Governor Brown in September 2018 and went into effect April 1, 2020. SB 998 requires all “urban and community water systems” to have a written policy on the discontinuation of residential service and translated into other languages. This policy must be posted on the City website and contain a plan for alternative payment schedules, appeal/contest procedures, and a phone number for customers to call to attempt to avert discontinuation.

The government code does not allow water services to be discontinued due to non-payment if the customer meets certain financial, medical, and other requirements even if they have not paid a bill for 60 days. The City must offer several attempts to contact the customer by different methods. Once 60 days delinquency occurs, and the customer meets the other requirements, the City must provide access to the policy in multiple languages, in both hard copy or electronic versions, and provide repayment options with a term of an undefined length. Tenants may even be allowed to take over an account from a landlord.

## **2. How does the new shut-off process work?**

### **Month 1**

Utility Bill: Original Bill sent at the end of the month with balance due by the 15th (or next business day) of the month following the Bill Date.

### **Month 2**

Late Notice#1: Late Notice #1 (Delinquent Notice) will include notification of a past due amount and will be mailed to customer. This would be received approximately 20 days from original bill upon initial delinquency and would add a late fee of \$5.

### **Month 2**

Utility Bill #2: Next regular monthly bill will include notification of a past due amount. This would be approximately 30 days from original bill and at about 15 days delinquent.

### **Month 3**

Late Notice #2: Late notice #2 (Disconnection Notice) will include notification of a past due amount, about 1 month from late notice #1. This would be received approximately 45 days from original bill at about 30 days delinquent and would add an additional \$5 late fee.

### **Month 3**

Utility Bill #3: Next regular monthly bill will include notification of a past due amount. This would be approximately 60 days from original bill and at about 45 days delinquent. The City will attempt a courtesy call to the customer.

### **Month 4**

Late Notice #3: Late notice #3 (Door Hanger) will be posted at property at least 10 days prior to shutoff, which is about 30 days from late notice #2. This would be received approximately 75 days from the original bill at about 60 days delinquent.

#### **Month 4**

Water Shut-Off: Unpaid balance is now over 60 days delinquent and service will be shutoff.

If a customer disputes the amount due, they must follow the procedure outlined in the City's Municipal Code chapter 13.04.190.

Pursuant to California Health and Safety Code §116910, if all three of the following conditions are met, an alternative payment arrangement will be granted:

- Health Conditions – a primary care provider certifies in writing that discontinuation of water service would be life threatening or pose a serious threat to the health/safety of a resident (can be any resident in the residence); and
- Financial Inability – the customer declares that they are 200% below the federal poverty line or participate in public assistance programs such as Medi-Cal or CalWorks; and
- Payment Arrangements – the customer agrees to a payment arrangement as offered by the City.

All payment plans must be approved and signed by 4:00p.m. the business day prior to the shut off day. Review of written health certification will require an appointment at City Hall. You may contact the City at 559-747-0458 x1003 or review the policy the link provided.

#### **3. What is the payment plan?**

- a. The payment plan takes your outstanding balance owed to the City and consolidates it into one debt amount that will be repaid over a 12-month period in equal payments with no interest charges. Your account will then be at zero and the payment plan will be considered a separate payment. However, your utility bills and the payment plan must both be paid on time each month otherwise the plan is cancelled, and your account is shut off until full payment of the entire debt and utility bill is made. You may not start another payment plan or add to it if there is already a plan in place.

#### **4. Who can be on a payment plan?**

- a. If you have received a discontinuation notice in the mail or a courtesy call from the City you can start the process of determining if you are eligible for a payment plan. Only eligible customers may participate in the payment plan program.

#### **5. How do I figure out if I am eligible for a payment plan?**

- a. Three Steps:
  - i. You must be eligible according to State law. The law says that you must prove (written note from doctor) that discontinuation of water service would be life-threatening or pose a serious

threat to someone in your home. You must also prove that you are eligible by declaring that you are 200% below the federal poverty line or participate in other assistance programs like Medi-Cal. You must also agree to the payment plan offered from the City.

- ii. You must call 559-747-0458 x1003 to set up a time to bring this evidence of eligibility to City Hall for the City Manager to review and potentially approve.
- iii. If approved, you must sign and abide by the agreement for paying your debt back to the City to start the payment plan.

**6. When can I start the payment plan?**

- a. If you receive a discontinuation notice in the mail or a courtesy call from the City you can start the process of determining if you are eligible for a payment plan. The payment plan will begin when you sign the agreement and the City gives you the schedule of payments you must pay by.

**7. Where can I view the details on the policy about the payment plan?**

- a. The full policy is available at City Hall or on the City website, here:

<http://www.cityoffarmersville-ca.gov/330/Public-Works-Shut-off-Policy>