

<b>Title</b> Low-Income Discount Program Guideline	<b>Resolution No.</b> 4759	<b>Rev. No.</b> 0
<b>Responsibility to Maintain</b> Finance Department	<b>Supersedes</b> N/A	<b>Pages</b> 4
<b>General Manager Approval</b>	<b>Effective Date</b> July 1, 2018	

## 1. PURPOSE

Recognizing that water and sewer are essential services, in order to help provide stability to low income households, Sammamish Plateau Water has established a Low-Income Discount Program (“LIDP” or “Program”) to offer eligible low-income customers water and sewer service rate (“utility services”) discount(s) through a utility bill discount or a utility bill rebate.

The District Board of Commissioners, through Resolution No. 4759, adopted this Program Guideline. The Program Guideline specifies LIDP policies and eligibility. District Staff are responsible for developing, administering and executing a program within the guidelines. District staff are authorized and directed to implement the Program in 2018 at the time District staff feel it is appropriate to implement and commence making the Program available to District customers.

## 2. GENERAL PROGRAM QUALIFICATIONS

The general LIDP eligibility requirements are as follows:

- A. The applicant must be the primary account holder if billed directly for residential utility services OR, in the case of multi-family housing, the applicant is the primary leaseholder and pays for utility services indirectly through rent or a third-party biller and can clearly establish to the District proof of payment.
- B. The applicant must reside at the address receiving utility service. The service address must be located within the District’s utility service area and receive the applicable District utility service.
- C. The combined income of all adult household members must not exceed fifty (50) percent of the King County Department of Housing and Urban Development (“HUD”) area median household income calculation as set for the number of persons in the household.

### 3. PROGRAM FUNDING

Program funding shall be included in the District budget and shall be funded by water and sewer rate revenues proportional to the discount percent adopted in this guideline, which is currently 45% water and 30% sewer and based on an assumed participation rate of 2.5% of the District's residential customers. The budget will be updated annually to reflect estimated program costs.

### 4. DISCOUNT

The LIDP provides a utility bill discount for directly billed customers and a rebate check for indirectly billed customers. The discount/rebate is a percent of the District's base utility charge(s). Rebates are distributed and bill discounts applied only after an application from a qualifying District customer has been processed and eligibility approved. Bill discounts will not be retroactively applied. The utility discount/rebate by customer service type(s) (water/sewer) is:

- Water customers shall receive a discount of 45% of the District's base water charges.
- Sewer customers shall receive a discount of 30% of the District's base sewer charges.

The discount shall not apply to consumption charges, wastewater treatment charges, new account fees, disconnect/reconnect fees, or any other District charges or fees.

### 5. NOTICE OF LIDP TO DISTRICT CUSTOMERS PER RCW 57.08.014

- A. The District shall annually advise all District customers of the Program. The District shall also notify all persons initiating utility service with the District of the Program.
- B. If the establishment of a rate reduction for low-income persons results in an increase to the utility rates imposed by the District on its other customers, the District shall notify all District customers of any cost shifts due to the establishment of the Program.

### 6. APPLICATION PROCESS

- A. Method for Applying  
Standard Application. An applicant shall identify all household members and provide verification of identity and income for all adult (18 years or older) household members.
- B. Application Processing
  - 1) A LIDP applicant is required to provide the District all necessary documentation in a timely manner in compliance with Program intake procedures and eligibility guidelines. Regardless of the date of the application, an application shall only be considered complete when all required documentation has been received by the District, and the District has processed and approved the application.

- 2) An applicant may be required by District staff to participate in the application processing by telephone, email, mail, and/or in-person interviews.

C. Recertification

Customers participating in the Program shall be required to submit recertification documentation annually to the District to maintain continued eligibility for the LIDP, including identifying current household members and verifying the identities and incomes of all adult household members.

D. Re-verification Audits

The District may require a customer participating in the Program to provide verification of residency and the identities and incomes of adult household members at any time during the certification period through a re-verification audit, which may be done as part of program management to ensure that benefits are only provided to qualified households. If a customer fails to complete the re-verification audit in a timely manner and in accordance with the re-verification procedure, the District may terminate the customer's participation in the Program.

## 7. HOUSEHOLD SIZE DETERMINATION

LIDP applicants shall identify all household members and provide documentation for the identity of each adult residing in the household.

## 8. HOUSEHOLD INCOME DETERMINATION

LIDP applicants shall provide proof of household income. Household income shall be the adjusted gross income as identified in the most recent Federal income tax return(s), plus other cash receipts not reported on the Federal income tax return(s) for all adults residing in the household. In the absence of a tax return, the District may consider other documentation of annual income for a twelve (12) month calendar period as determined by the District.

## 9. ONGOING ELIGIBILITY

A. Transfer Status

Customers changing residency within the District's boundaries who are the primary account holder on both the old and new District utility accounts, and who are not in the process of Program recertification, may transfer their LIDP eligibility to their new residence. Customers shall notify the District within thirty (30) days of any such move.

B. Terminations/ Removal from LIDP

Customers may be removed from and have their participation in the LIDP terminated for the following reasons:

1. No longer meeting the household income eligibility requirements.
2. Moving out of the District's utility service area.

3. Moving into housing where they are not listed as the primary account holder.
4. Failing to timely respond to District recertification notices, not completing the recertification process, not responding to reverification audit notices, or not completing the reverification audit process.
5. The customer requesting removal from the Program.
6. The customer has given the District false, misleading, or incomplete information relative to the Program and qualifying for participation in the Program.
7. For any other reason as determined by the District if the customer no longer qualifies for the Program.

C. Billing Adjustments

The District will adjust the customer's utility bills to reflect the full cost of utility service to recover the costs for any District billing periods the customer was not eligible for participation in the Program and the receipt of discounted utility rates. Failure to pay any such adjustment shall result in the District's collection of such under-billing pursuant to applicable state law and the District's procedures to collect unpaid utility service rates and charges.

**10. PROGRAM EFFECTIVE DATE: July 1, 2018**