



# Legislative Update

**City Council & Utility Board Study Session**

**May 17, 2022**

**Item #1**



## Government Relations Team



- Rosa McLeod, Government Relations Analyst
- Clark Mather, Community and Government Relations Manager
- Logan Bahr, State Relations Manager

# ••• Agenda



- Session overview
- General Government state legislative updates
- TPU state legislative updates
- General Government update on federal priorities
- TPU update on federal priorities
- Wrap-up and next steps on legislative agenda development

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# ••• 2022 Session Overview



- The 2022 legislative session was the second year of the legislative biennium - a “short” session that lasted 60 days.
- Democrats hold majority in both chambers
- 1,049 new bills introduced in addition to bills from 2021
- 303 bills approved by the Legislature, Governor vetoed 6
- Adopted supplemental operating and capital budgets
- Adopted Move Ahead Washington transportation package

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# ••• 2022 General Government State Priorities



- **City's Legislative Agenda**
  - Identify top 3-5 legislative priorities
  - Council committed to advocating/prioritizing the items on the Agenda
- **Collaboration with Community Partners**
- **City's Support/Oppose/Monitor List**
  - The Support/Oppose/Monitor list provides direction on specific proposals or issue areas.

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# ••• 2022 General Government State Priorities



- **Police Transformation**
  - Bills approved:
    - Use of force for community caretaking (HB 1735)
    - Allowing the use of bean bags in shotguns (HB 1719)
    - Use of force definition (HB 2037)
  - Bills considered, but did not pass:
    - Vehicular pursuits (SB 5919)
    - Independent prosecutions (HB 1507)

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# ••• 2022 General Government State Priorities



## • Transportation Improvements

- Puget Sound Gateway backfilled
- Puyallup Avenue Complete Streets project
- HOV Lanes on I-5 from 38<sup>th</sup> to JBLM
- Fife to Tacoma Pedestrian Access
- Schuster Parkway Trail Improvements
- Tacoma Dome Light Rail Access
- Pierce Transit High-Capacity Transit Service Expansion
- Local Preservation & Maintenance Funding

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# ••• 2022 General Government State Priorities



## • Automated Speed Enforcement

- Requested expansion beyond school zones and Bay Street
- Move Ahead authorized cities to use speed cameras:
  - School walk areas, public parks, hospitals
  - One camera per 10,000 in population in the following areas:
    - Priority location in WSDOT approved local road safety plan
    - Higher rate of collisions than city average
    - Zone with specific restrictions and penalties on street racing
- Equity analysis required
- Half of the revenue generated goes to the Cooper Jones Account

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# ••• 2022 General Government State Priorities



## • Affordable Housing & Homelessness

- Unprecedented investments of over \$850 million, including:
  - \$114 million for the Housing Trust Fund
  - \$240 million for rapid housing acquisition
  - \$100 million for the Apple Health and Homes program
  - \$45 million to transition individuals living in homeless encampments on state-owned rights of way to permanent housing
- Other Investments:
  - \$100 million for Utility Assistance
  - \$45 million for Eviction Prevention and Rental Assistance
- Affordable Housing REET Exemption (HB 1643)

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# ••• 2022 General Government State Priorities



## • Transfers to Northwest ICE Processing Center

- Did not advance in 2022 due to short 60-day session

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# ••• 2022 General Government State Priorities



- Support/Oppose/Monitor List Highlights
  - Local Control over Land Use
  - Open Public Meetings Act
  - Clean Buildings
  - Gun Violence Prevention
  - Transportation Network Company Regulations

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# ••• 2022 TPU State Priorities



## Power

### **Accelerating green hydrogen production (SB 5910)**

- Provides state funding to help secure federal funding to develop a regional clean hydrogen hub.
- Authorizes municipal utilities and PUDs to produce, use, sell, and distribute green hydrogen and renewable hydrogen.
- Expands certain tax exemptions for aspects of the green hydrogen production process.

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## ••• 2022 TPU State Priorities



### Power

#### **Targeted electrification (HB 1767)**

- Would have clarified the authority for municipally owned utilities and public utility districts to make investments in the electrification of customers' end use equipment in residential and commercial buildings.
- Did not pass.

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## ••• 2022 TPU State Priorities



### Water

#### **Public Works Trust Fund (Capital Budget)**

- Funds can be used for loans and grants for public capital asset construction, preconstruction, and emergency purposes.
- \$120 million in additional funds provided.
- Future revenue swept to provide funding for the transportation revenue package.

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## ••• 2022 TPU State Priorities



### Rail

- Explored opportunities for infrastructure funding for rolling stock, track, and other infrastructure.
- Potential investments under Move Ahead Washington.

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## ••• 2022 TPU State Priorities



### TPU - Wide

#### **Customer arrearage support (Operating Budget)**

- The final supplemental operating budget provides \$100 million for grants to utilities (water, sewer, garbage, electric, and natural gas) for low-income customer assistance.

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## ••• Other Notable Issues



### Hydropower License Fees (HB 1931)

- Extends hydropower license fees under current law to June 30, 2029.

### Reducing GHG Emissions in Buildings (SB 5722)

- Expands the Clean Buildings Law passed in 2019 and creates new tiers of performance standards for buildings between 20,000 - 49,999 square feet.

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## ••• Other Notable Issues



### Community Solar Expansion (HB 1814)

- Establishes a new community solar incentive program to provide direct benefits to low-income subscribers and service providers.

### Move Ahead Washington (SB 5975)

- 16-year, \$17 billion transportation package.
- New investments in electrification and decarbonization with over \$500 million for alternative fuel & electrification projects.

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## ••• Looking Ahead



- Implementation of customer arrearage support
- Building decarbonization policies
- Clean Energy Transformation Act, Clean Fuel Standard & Climate Commitment Act rulemaking
- Tax credit program for rail infrastructure
- Utility wildfire prevention stakeholder effort

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## ••• 2022 TPU Federal Priorities



### Water

- \$220 million secured for Howard Hanson Dam fish passage
- Water Resources Development Act language for Howard Hanson

### Rail

- Fiscal Year 2023 request for Battery Electric Locomotive

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# ••• 2022 TPU Federal Priorities



## Power

- \$1 Million for Multifamily/Public EV Charging program – thanks Sen. Murray!
- Sen. Murray/Gov. Inslee study on Lower Snake River Dams
- Engaged in state-wide coalition for federal 'Hydrogen Hub' funding

## TPU-wide

- Tracking Bipartisan Infrastructure Legislation funding opportunities

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# ••• Calendar



- **May 17, 2022:** Joint Study Session Legislative Update
- **September/October, 2022:** Draft 2023 General Government & TPU Legislative Agendas presented to City Council & Public Utility Board
- **October/November, 2022:** Citywide legislative agenda presented to Joint Study Session
- **November, 2022:** Public Utility Board adoption of TPU Legislative Agenda
- **November/December, 2022:** City Council consideration of Resolution to adopt the 2023 Citywide Legislative Agenda

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# ••• Contact Information



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## Legislative Update

**City Council & Utility Board Study Session**  
**May 17, 2022**

# Utility Account Recovery Update

Francine Artis | Customer Services Manager (Interim)

John Hoffman | Assistant Customer Services Manager

May 17, 2022



## Agenda

Outreach Efforts/Assessment Update

Current State of Disconnections

Review of Accounts

All Open Items

Moratorium Charges

Inactive Items



# Customer Outreach

## February

- Assistance assessment form launches
- 25,516 UAR letters (residential and commercial)
- Follow up emails, where possible
- Social media campaign

## March

- 30,260 Automatic UAR installment plans created with letters

## April

- Door hangers (water only still in progress)
- Late fees resumed

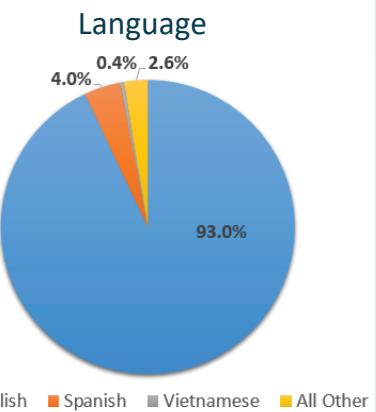
## April 25 – Dunning reactivated

- 7,634 Late Notices
- 1,268 Disconnection Notices – Deposit Customers



## Assessment Progress

- 5,105 Received
- 68% City of Tacoma/32% Outside City
- 72% Renters
- Average People in the Household: 2
- Average Annual HH Income: \$39,768

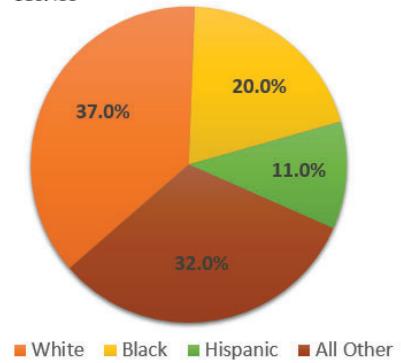


Household Size	1	2	3	4	5	6	7	8
LIE/D Threshold	\$31,995	\$36,540	\$41,130	\$45,675	\$49,365	\$53,010	\$56,655	\$60,300
BCAP Threshold	\$42,660	\$48,720	\$54,840	\$60,900	\$65,820	\$70,680	\$75,540	\$80,400

## Next Steps

- Continue to assess forms and direct households to community resources
- BCAP dollars repurposing

As of 5/4/2022



# Current State of Disconnections

**May 9 | 808 deposit customers sent for physical disconnection**

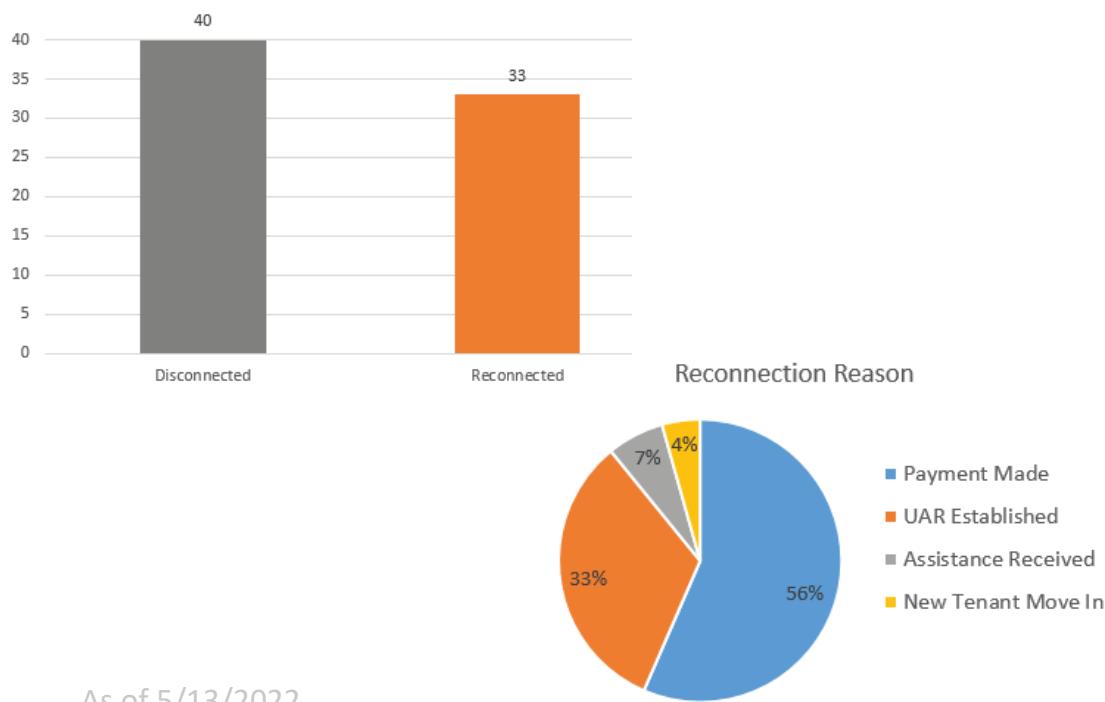
- 808 out of 1,268 who received Disconnection Notices
- Deposits are only requested at account opening due to unsatisfactory payment history or a deposit model
- No payments had been received on these accounts

What went well	What could have gone better
Staff Readiness/Cohesion	Manual Reconnection Data
Online Assessment Form	Paper Assessment Form
AMI Reconnections (70% Same Day)	
Multiple Communications Channels	
4/1+ Charges	



# Current State of Reconnections

**Sample of 40, May 9 Disconnections**



# Next: High Balance Customer Focus

**May 10 | 1,925 Disconnection Notices Sent**

***All of these customers have closed UAR Installment Plans***

- 384 multi-service accounts, largest balance \$106,531.01 (\$1,000 min)
- 1,450 single-service accounts, largest balance \$78,424.03 (\$400 min)
- 91 Water only accounts, largest balance \$7,450.25 (\$400 min)

**Outbound calling planned to go live May 19**

**Disconnections would start May 23**

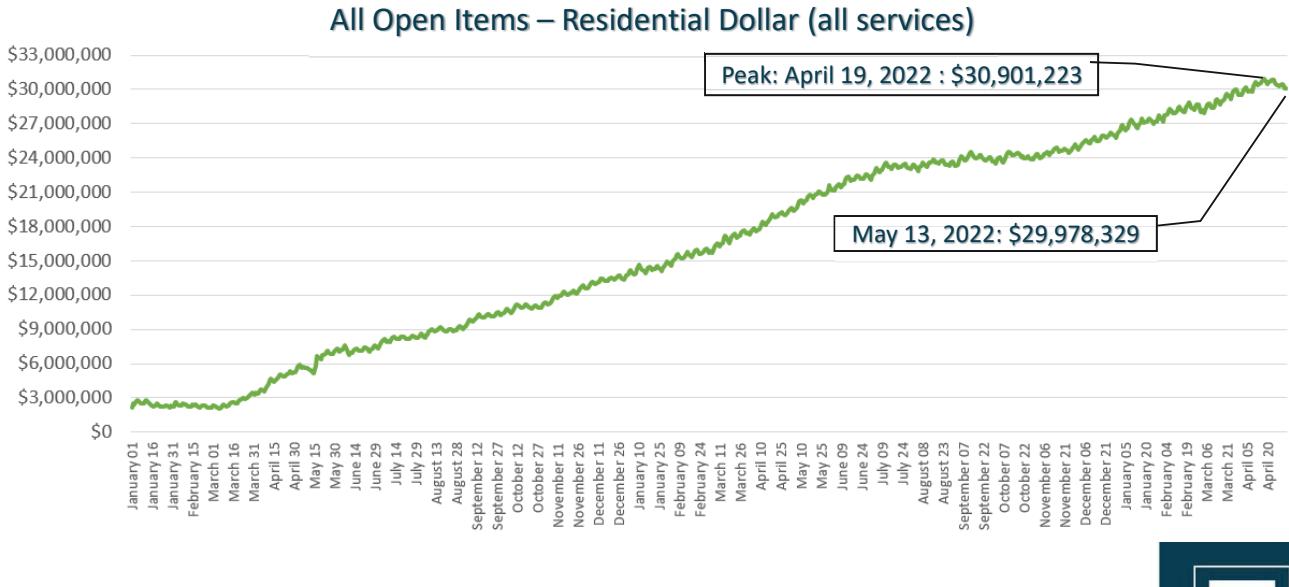


## Review of accounts with balances

	All Open Items	Moratorium Items
What is this group?	All debt on open accounts (receiving utilities)	Accounts that had debt as of 2/16/2022
Why do we track this?	<ul style="list-style-type: none"><li>• Shows the needs of our community</li><li>• Indicator of collection rate</li></ul>	<ul style="list-style-type: none"><li>• More focused view of moratorium recovery</li><li>• Key to decision making/ counter measure progress</li></ul>
Why isn't this perfect?	<ul style="list-style-type: none"><li>• Is not moratorium specific</li><li>• New customer debt will create reporting abnormalities</li></ul>	<ul style="list-style-type: none"><li>• Not a complete view of outstanding balances</li></ul>



# Review of accounts with balances



# Review of accounts with balances

Measure (Residential)	Peak	5/13/2022
All Open Items Dollars	\$30,901,223 - 4/19/2022	\$29,978,329
All Open Items Accounts	30,086 – 1/9/2022	27,889
Measure (Residential)	Peak	5/09/2022
Moratorium Dollars*	\$28,492,334 – 4/18/2022	\$27,826,082
Moratorium Accounts*	26,753 – 2/7/2022	18,206

## Inactive Items

- During the moratorium (March 16 – April 25): 18,699 additional accounts closed with unpaid accounts totaling \$8,089,193
- Future discussion planned for these accounts



