



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 38th 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

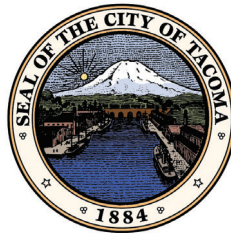
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Legislative Update

**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

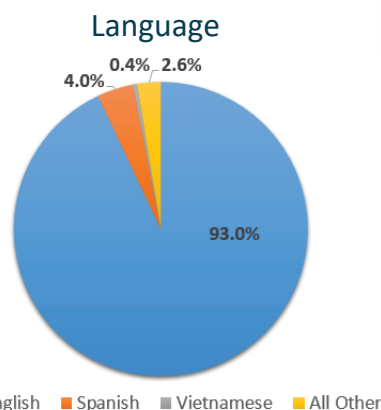
April 25 – Dunning reactivated

- 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

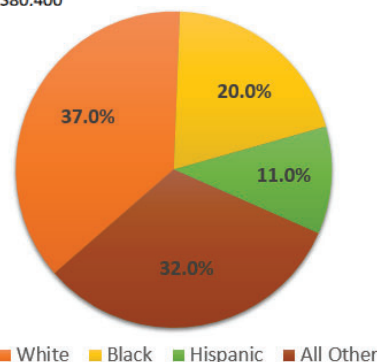


Household Size	1	2	3	4	5	6	7	8
LIE/D Threshold	\$31,995	\$36,540	\$41,130	\$45,675	\$49,365	\$53,010	\$56,655	\$60,300
BCAP Threshold	\$42,660	\$48,720	\$54,840	\$60,900	\$65,820	\$70,680	\$75,540	\$80,400

Next Steps

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

As of 5/4/2022



Current State of Disconnections

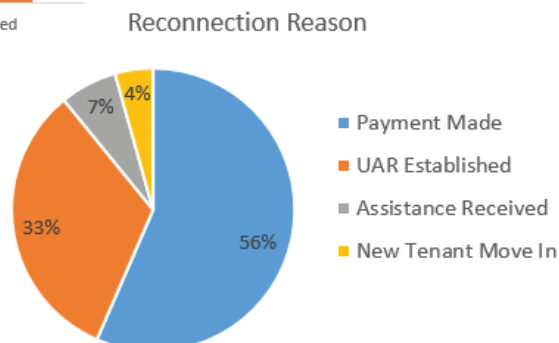
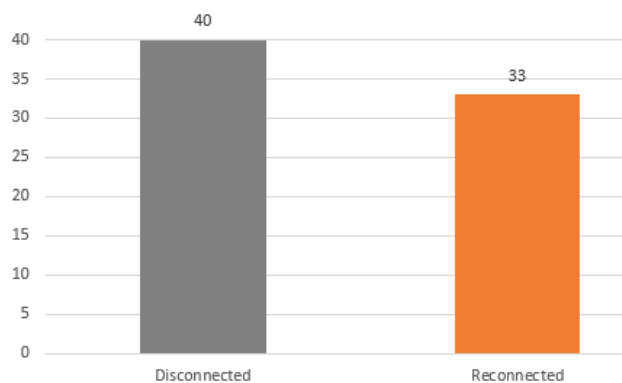
May 9 | 808 deposit customers sent for physical disconnection

- 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



As of 5/13/2022



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

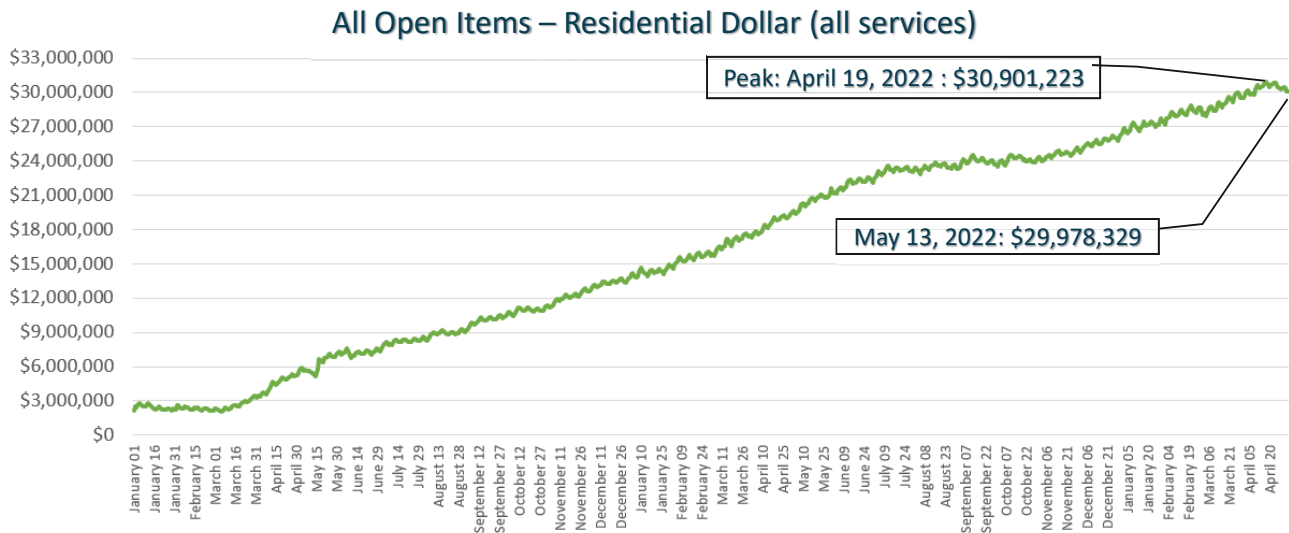
Disconnections would start May 23

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">• Shows the needs of our community• Indicator of collection rate	<ul style="list-style-type: none">• More focused view of moratorium recovery• Key to decision making/ counter measure progress
Why isn't this perfect?	<ul style="list-style-type: none">• Is not moratorium specific• New customer debt will create reporting abnormalities	<ul style="list-style-type: none">• Not a complete view of outstanding balances



Review of accounts with balances



As of 5/13/2022



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



