



February 22, 2021

The Honorable Gavin Newsom  
Governor, State of California  
State Capitol, 1<sup>st</sup> floor  
Sacramento, CA 95814

The Honorable Toni Atkins  
Senate President pro Tempore  
State Capitol, Room 205  
Sacramento, CA 95814

The Honorable Anthony Rendon  
Speaker of the Assembly  
State Capitol, Room 219  
Sacramento, CA 95814

Re: COVID-19 Assistance for Publicly Owned Water, Wastewater and Electric Customers

Dear Governor Newsom:

On behalf of the undersigned organizations, we strongly urge the Legislature to allocate additional and dedicated funding in the amount of at least \$1 billion for past-due public water/wastewater agency and publicly owned electric utility bills, which will provide significant relief for Californians as the state continues to grapple with the economic and personal effects of the COVID-19 pandemic. The state has the opportunity to appropriate significant one-time funds during this budget cycle. We recognize there may be numerous expenditures being considered and we appreciate your ongoing leadership in getting assistance to Californians. But we believe this assistance to help customers pay back their utility bills should be high on the list of priorities.

In California, there is a staggering amount of past due water, wastewater, and electric bills. The State Water Resources Control Board has estimated there is between \$600 and \$700 million in drinking water-related debt, even more when including wastewater bills. In addition, there is more than \$300 million in unpaid bills to publicly owned electric utilities. These mounting arrearages are negatively impacting communities across the state, and they are continuing to grow.

There have been several efforts to date to provide water, wastewater, and electric bill relief to customers, but unfortunately those efforts have fallen far short of overall need. For instance, while utility payments are an eligible category in the distribution of funds through the SB 91 Rental Assistance Program, the core focus is rightfully on ensuring Californians can stay in their homes without the fear of eviction. Additionally, California's portion of specific federal funding for water and wastewater utility bills is expected to cover a very small portion of the entire amount of unpaid bills. And the federal government has only been able to provide an additional \$49 million in LIHEAP funding, a federal program aimed to assist low-income households meet their energy needs. This means that further assistance is needed to help customers with their past-due water, wastewater, and electric bills.

As such, we strongly urge the Legislature to allocate at least \$1 billion in additional and dedicated funding for customers of publicly owned utilities, and water/wastewater agencies to cover the


customers' arrearages, preferably as an early budget action so assistance can be provided as soon as possible.

Without direct assistance, the mounting utility bill debt will continue to be a financial strain on many Californians experiencing hardships and may also place upward pressure on the rates that agencies and utilities charge their customers. It is for these reasons we urge your action on this issue. We look forward to working with your Administration and the Legislature to address this problem. If you would like more information or to discuss this further, please contact Danielle Blacet-Hyden with CMUA at 916-847-8444 or [dblacet@cmua.org](mailto:dblacet@cmua.org).

Sincerely,



Danielle Blacet-Hyden  
Deputy Executive Director  
California Municipal Utilities Association



Alyssa Silhi  
Legislative Representative  
California Special Districts Association



Jessica Gauger  
Director of Legislative Advocacy & Public  
Affairs  
California Association of Sanitation Agencies



Adam Quiñonez  
State Relations Director  
Association of California Water Agencies

Cc: The Honorable Nancy Skinner, Chair, Senate Budget and Fiscal Review Committee  
The Honorable Phil Ting, Chair, Assembly Budget Committee  
The Honorable Richard Bloom, Chair, Assembly Subcommittee on Climate Crisis, Resources,  
Energy, and Transportation  
The Honorable Bob Wieckowski, Chair, Senate Budget Subcommittee on Resources,  
Environmental Protection and Energy  
Keely Bosler, Director, Department of Finance