



Sen. Christopher Belt

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1 AMENDMENT TO HOUSE BILL 414

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 414 by replacing  
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the Water  
5 and Sewer Financial Assistance Act.

6 Section 5. Findings and intent.

7 (a) The General Assembly finds that:

8 (1) The health, welfare, and prosperity of the people  
9 of the State of Illinois require that water and sewer  
10 services are affordable and that all citizens receive  
11 essential levels of water and sewer services regardless of  
12 economic circumstance.

13 (2) Water and sewer providers and other entities  
14 providing such services are entitled to receive proper  
15 payment for services actually rendered.

16 (3) Unlike the electric and gas industry, water and

1 sewer providers do not have existing statutory programs  
2 intended to assist low-income customers.

3 (4) Existing financial assistance policies and  
4 programs in effect in Illinois for utility services have  
5 benefited all Illinois citizens, and should therefore be  
6 extended to the water and sewer industry.

7 (5) Low-income households are unable to afford  
8 essential utility services and other necessities, such as  
9 food, shelter, and medical care; the health and safety of  
10 those who are unable to afford essential utility services  
11 suffer when monthly payments for these services exceed a  
12 reasonable percentage of the customer's household income.  
13 Costs of collecting past due bills and uncollectible  
14 balances are reflected in rates paid by all ratepayers.  
15 Society benefits if essential utility services are  
16 affordable and arrearages and disconnections are minimized  
17 for those most in need.

18 (b) Consistent with its findings, the General Assembly  
19 declares that it is the policy of the State that:

20 (1) A low-income water and sewer assistance payment  
21 plan should be established that incorporates income  
22 assistance for citizens to have access to affordable water  
23 and sewer services.

24 (2) The ability of public utilities and other entities  
25 to receive just compensation for providing services should  
26 not be jeopardized by this policy.

1           Section 10. Definitions. As used in this Act, unless the  
2 context otherwise requires:

3           "Commission" means the Illinois Commerce Commission.

4           "Department" means the Department of Commerce and Economic  
5 Opportunity.

6           "Water or sewer provider" means any public utility  
7 providing water or sewer services under the jurisdiction of  
8 the Illinois Commerce Commission; any other utility providing  
9 water or sewer service owned by a municipality, township,  
10 county, or other political subdivision of this State; or any  
11 other entity that is not a public utility under the  
12 jurisdiction of the Illinois Commerce Commission that  
13 regularly provides water or sewer service.

14           Section 15. Water and sewer assistance program.

15           (a) The Department is authorized to institute a program  
16 whereby a water or sewer provider may voluntarily participate  
17 to ensure the availability and affordability of water and  
18 sewer services to low-income citizens. The Department shall  
19 implement the program by rule adopted pursuant to the Illinois  
20 Administrative Procedure Act. The program shall be consistent  
21 with the purposes and objectives of this Act and with all other  
22 specific requirements provided in this Act. The Department may  
23 enter into such contracts and other agreements with local  
24 agencies as may be necessary for the purpose of administering

1 the water and sewer assistance program.

2 (b) Nothing in this Act shall be construed as altering or  
3 limiting the authority conferred on the Commission by the  
4 Public Utilities Act to regulate all aspects of the provision  
5 of public utility service, including, but not limited to, the  
6 authority to make rules and adjudicate disputes between  
7 utilities and customers related to eligibility for utility  
8 service, deposits, payment practices, and discontinuance of  
9 service.

10 (c) The Department is authorized to institute an outreach  
11 program directed at low-income minority heads of households  
12 and heads of households age 60 or older. The Department shall  
13 implement the program through rules adopted pursuant to the  
14 Illinois Administrative Procedure Act. The program shall be  
15 consistent with the purposes and objectives of this Act and  
16 with all other specific requirements set forth in this  
17 subsection.

18 Section 20. Eligibility, conditions of participation, and  
19 water and sewer assistance.

20 (a) Any person who is a resident of the State of Illinois  
21 and whose household income is not greater than an amount  
22 determined annually by the Department may apply for assistance  
23 pursuant to this Act in accordance with rules adopted by the  
24 Department. In setting the annual eligibility level, the  
25 Department shall consider the amount of available funding and

1 may not set a limit higher than the eligibility limit for  
2 assistance under the Energy Assistance Act.

3 (b) Applicants who qualify for assistance pursuant to  
4 subsection (a) of this Section shall, subject to appropriation  
5 from the General Assembly and subject to the availability of  
6 funds to the Department, receive water and sewer assistance as  
7 provided by this Act. The Department, upon receipt of moneys  
8 authorized pursuant to this Act for water and sewer  
9 assistance, shall commit funds for each qualified applicant in  
10 an amount determined by the Department. In determining the  
11 amounts of assistance to be provided to or on behalf of a  
12 qualified applicant, the Department shall ensure that the  
13 highest amounts of assistance go to households with the  
14 greatest need for financial assistance in relation to  
15 household income. The Department shall include factors such as  
16 water and sewer costs, household size, household income, and  
17 region of the State when determining individual household  
18 benefits. In adopting rules for the administration of this  
19 Section, the Department shall ensure that a minimum of  
20 one-third of funds are available for benefits to eligible  
21 households with the lowest incomes and that elderly households  
22 and households with persons with disabilities are offered a  
23 priority application period.

24 (c) If the applicant is a customer of a water or sewer  
25 provider, such applicant shall receive water or sewer  
26 assistance in an amount established by the Department for all

1 such applicants under this Act.

2 (d) The Department may, if sufficient funds are available,  
3 provide additional benefits to certain qualified applicants:

4 (i) for the reduction of past due amounts owed to  
5 water or sewer providers; and

6 (ii) to assist the household in responding to  
7 excessively high usage costs. Households containing  
8 elderly members, children, or a person with a disability,  
9 shall receive priority for receipt of such benefits.

10 Section 25. Water and Sewer Low-Income Assistance Fund.

11 (a) For purposes of this Section:

12 "Non-residential sewer service" means sewer utility  
13 service that is not residential sewer service.

14 "Non-residential water service" means water utility  
15 service that is not residential water service.

16 "Residential sewer service" means sewer utility  
17 service for household purposes delivered to a dwelling of  
18 2 or fewer units that is billed under a residential rate;  
19 or sewer service for household purposes delivered to a  
20 dwelling unit or units that is billed under a residential  
21 rate and is registered by a separate meter for each  
22 dwelling unit.

23 "Residential water service" means water utility  
24 service for household purposes delivered to a dwelling of  
25 2 or fewer units that is billed under a residential rate;

1 or water service for household purposes delivered to a  
2 dwelling unit or units that is billed under a residential  
3 rate and is registered by a separate meter for each  
4 dwelling unit.

5 (b) The Water and Sewer Low-Income Assistance Fund is  
6 created as a special fund in the State Treasury. The Water and  
7 Sewer Low-Income Assistance Fund is authorized to receive  
8 moneys from voluntary donations from individuals, foundations,  
9 corporations, and other sources; by statutory deposit; and by  
10 authorized collections pursuant to this Section. The Water and  
11 Sewer Low-Income Assistance Fund is also authorized to receive  
12 moneys from the federal government, including, but not limited  
13 to, any pass through moneys as a result of a public health  
14 emergency. Subject to appropriation, the Department shall use  
15 moneys from the Water and Sewer Low-Income Assistance Fund for  
16 payments to water or sewer providers on behalf of their  
17 customers who are participants in the program authorized under  
18 this Act. The yearly administrative expenses of the Water and  
19 Sewer Low-Income Assistance Fund may not exceed 10% of the  
20 amount collected during that year pursuant to this Section,  
21 except when unspent funds from the Water and Sewer Low-Income  
22 Assistance Fund are reallocated from a previous year; any  
23 unspent balance of the 10% administrative allowance may be  
24 utilized for administrative expenses in the year they are  
25 reallocated.

26 (c) Notwithstanding any other law to the contrary, the

1 Water and Sewer Low-Income Assistance Fund is not subject to  
2 sweeps, administrative chargebacks, or any other fiscal or  
3 budgetary maneuver that would in any way transfer any amounts  
4 from the Water and Sewer Low-Income Assistance Fund into any  
5 other fund of the State.

6 (d) Notwithstanding any provisions of the Public Utilities  
7 Act, but subject to subsection (j) of this Section, each water  
8 or sewer provider shall, effective January 1, 2022, assess  
9 each of its customer accounts a monthly Water and Sewer  
10 Assistance Charge for the Water and Sewer Low-Income  
11 Assistance Fund. The monthly charge shall be as follows:

12 (1) \$0.10 per month for each account for residential  
13 water service;

14 (2) \$0.10 per month for each account for residential  
15 sewer service;

16 (3) \$5.00 per month for each account for  
17 non-residential water service; and

18 (4) \$5.00 per month for each account for  
19 non-residential sewer service.

20 (e) The Water and Sewer Assistance Charge assessed by the  
21 applicable water or sewer providers shall be considered a  
22 charge for public utility service.

23 (f) By the 20th day of the month following the month in  
24 which the charges imposed by this Section were collected, each  
25 water or sewer provider shall remit to the Department of  
26 Revenue all moneys received as payment of the Water and Sewer



1 Assistance Charge on a return prescribed and furnished by the  
2 Department of Revenue showing such information as the  
3 Department of Revenue may reasonably require. If a customer  
4 makes a partial payment, a water or sewer provider may elect  
5 either: (i) to apply partial payments first to the amount owed  
6 to the water or sewer provider for its services and then to  
7 payment for the Water and Sewer Assistance Charge, or (ii) to  
8 apply such partial payments on a pro rata basis between  
9 amounts owed to the water or sewer provider for its services  
10 and to payment for the Water and Sewer Assistance Charge.

11 (g) The Department of Revenue shall deposit into the Water  
12 and Sewer Low-Income Assistance Fund all moneys remitted to it  
13 in accordance with subsection (f) of this Section; provided,  
14 however, that the amounts remitted by each water or sewer  
15 provider shall be used to provide assistance only to that  
16 water or sewer provider's customers. The water or sewer  
17 providers shall coordinate with the Department to establish an  
18 equitable and practical methodology for implementing this  
19 subsection beginning with the 2022 program year.

20 (h) The Department of Revenue may establish such rules as  
21 it deems necessary to implement this Section.

22 (i) The Department may establish such rules as it deems  
23 necessary to implement this Section, including, but not  
24 limited to, rules requiring the Department to report the  
25 amount of assessments remitted and expended by water or sewer  
26 providers and a process to allow a water or sewer provider to

1     discontinue imposing the assessments due to lack of  
2     participation or excess in available funds for that water or  
3     sewer provider. The process to allow a water or sewer provider  
4     to discontinue imposing assessments shall include review by  
5     the Commission of any water or sewer provider subject to the  
6     Public Utilities Act.

7           (j) The charges imposed by this Section shall apply to  
8     customers of a water or sewer provider only if the water or  
9     sewer provider voluntarily makes an affirmative decision to  
10    impose the charge. If a water or sewer provider makes an  
11    affirmative decision to impose the charge provided by this  
12    Section, the water or sewer provider shall inform the  
13    Department of Revenue in writing of such decision when it  
14    begins to impose the charge. If a water or sewer provider does  
15    not assess this charge, the Department may not use funds from  
16    the Water and Sewer Low-Income Assistance Fund to provide  
17    benefits to its customers under the Program authorized by  
18    Section 15 of this Act.

19           In its use of federal funds under this Act, the Department  
20    may not cause a disproportionate share of those federal funds  
21    to benefit customers of water or sewer providers that do not  
22    assess the Water and Sewer Assistance Charge.

23           (k) This Section is repealed on January 1, 2030.

24           Section 30. Application of Retailers' Occupation Tax  
25    provisions. All the provisions of Sections 4, 5, 5a, 5b, 5c,

1 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a,  
2 12, and 13 of the Retailers' Occupation Tax Act that are not  
3 inconsistent with this Act apply, as far as practicable, to  
4 the surcharge imposed by this Act to the same extent as if  
5 those provisions were included in this Act. References in the  
6 incorporated Sections of the Retailers' Occupation Tax Act to  
7 retailers, to sellers, or to persons engaged in the business  
8 of selling tangible personal property mean persons required to  
9 remit the charge imposed under this Act.

10 Section 35. The State Finance Act is amended by adding  
11 Section 5.935 as follows:

12 (30 ILCS 105/5.935 new)

13 Sec. 5.935. The Water and Sewer Low-Income Assistance  
14 Fund.

15 Section 40. The Public Utilities Act is amended by adding  
16 Section 9-211.7 as follows:

17 (220 ILCS 5/9-211.7 new)

18 Sec. 9-211.7. Financial assistance; water and sewer  
19 utilities.

20 (a) On and after the effective date of this amendatory Act  
21 of the 102nd General Assembly, notwithstanding any other  
22 provision of this Act, a water or sewer utility subject to the

1 jurisdiction of the Commission, after receiving approval from  
2 the Commission, shall be allowed to offer a financial  
3 assistance program designed for bill payment assistance for  
4 low-income customers in accordance with the Water and Sewer  
5 Financial Assistance Act. A water or sewer utility subject to  
6 the jurisdiction of the Commission shall petition the  
7 Commission for such approval, and the Commission shall render  
8 its decision within 90 days after receiving such petition. If  
9 no decision is rendered by the Commission within 90 days, then  
10 the petition shall be deemed to be approved.

11 (b) The costs of a financial assistance program offered by  
12 a water or sewer utility subject to the jurisdiction of the  
13 Commission, excluding such costs deemed by the Commission to  
14 be not reimbursable, shall be reimbursed from the Water and  
15 Sewer Low-Income Assistance Fund established pursuant to the  
16 Water and Sewer Financial Assistance Act. The utility shall  
17 submit a bill to the Department of Commerce and Economic  
18 Opportunity, which shall be promptly paid out of such funds or  
19 may net such costs against moneys it would otherwise remit to  
20 the Fund. The water or sewer utility shall provide a report to  
21 the Commission on a quarterly basis accounting for moneys  
22 reimbursed or netted through the Fund.

23 (c) A water or sewer utility subject to the jurisdiction  
24 of the Commission providing a financial assistance program  
25 pursuant to the Water and Sewer Financial Assistance Act in  
26 this State shall be permitted to recover costs of those

1 assessments through a tariff filed with and approved by the  
2 Commission. The tariff shall be established outside the  
3 context of a general rate case and shall be applicable to the  
4 utility's customers.

5 Section 99. Effective date. This Act takes effect upon  
6 becoming law.".