



Financial Services Audit Committee Communication

Date: June 23, 2020

To: Great Lakes Water Authority Audit Committee

From: Nicolette Bateson, CPA
Chief Financial Officer & Treasurer

Re: Proposed Legislation Update – Senate Bill 690 Re: COVID-19 Response

Background: The purpose of this memo is to provide an update related to Senate Bill 690 Re: COVID-19 Response. The full bill is available [online](#).

Analysis: Our colleagues at the Detroit Water & Sewerage Department recently provided a summary of key provisions which begins on page 16 at the above link.

Summary of Michigan Senate Bill 690

- Passed State House and Senate on June 17, 2020; headed to Governor Whitmer for signature
- Sec. 404 – Water Utility Assistance Funds
 - Michigan Department of Health and Human Services creates residential emergency relief program
 - Direct payment to Water Utilities
 - \$25M available to reimburse Water Utilities for:
 - Arrearage forgiveness up to \$700 per customer during state of emergency
 - 25% discount on monthly bills through 12/1/2020
 - Water Utility must agree to:
 - Suspend shut off to eligible customers for 90 days beyond date customer receives assistance
 - Forgive 25% of bill for eligible customers until 12/1/2020
 - No collection or credit score actions
 - Notify customer about program
 - Provide benefits to existing WRAP customers
 - Eligible Customers must be:
 - Eligible for food assistance program
 - Have new arrearages after 3/1/2020 and during state of emergency
 - MDHHS may use community assistance providers to administer program; 4% administrative fee
 - Unused or unallotted funds will not lapse prior to “tentative project completion date” of 12/20/2020

Proposed Action: Receive and file report.