

MEMORANDUM

TO: James Leonard, Records Commissioner

FROM: Frank Breslin, Revenue Commissioner

DATE: February 8, 2022

RE: Amendments to the Department of Revenue Income-Based Water Rate Assistance Program Regulations of the Department of Revenue and the Philadelphia Water Department

Please find attached for filing amendments to the Department of Revenue's Income-Based Water Rate Assistance Program Regulations. In accordance with Section 8-407 of the City Charter, we are filing these amendments with your Department in order to initiate the public inspection period. Also, please find attached a memorandum from the Law Department approving these amendments. These regulations are being issued jointly by the Department of Revenue and the Philadelphia Water Department.

Thank you for your assistance in this matter.



Frank Breslin
Revenue Commissioner

cc: Brooke C. Darlington, Divisional Deputy City Solicitor
Ji Y. Jun, Divisional Deputy City Solicitor



City of Philadelphia

LAW DEPARTMENT
Tax & Revenue Unit
1401 JFK Boulevard
5th Floor
Philadelphia, PA 19102
(215) 686-0509
brooke.darlington@phila.gov

MEMORANDUM

TO: Frank Breslin, Revenue Commissioner

FROM: Brooke C. Darlington, Divisional Deputy City Solicitor

DATE: February 7, 2022

RE: Amendments to the Income-Based Water Rate Assistance Program
Regulations of the Department of Revenue and the Philadelphia
Water Department

I have reviewed the attached amendments to the Income-Based Water Rate Assistance Program Regulations of the Department of Revenue and the Philadelphia Water Department and find the regulations to be in legal and in proper form.

In accordance with Section 8-407(a) of The Philadelphia Home Rule Charter, you may forward these regulations to the Department of Records where they will be made available for public inspection.

A handwritten signature in cursive script, reading "Brooke C. Darlington".

Brooke C. Darlington
Divisional Deputy City Solicitor

Attachment



Randy E. Hayman, Esq., Water Commissioner

MEMORANDUM

To: James Leonard, Records Commissioner

From: Randy E. Hayman, Water Commissioner

Date: February 8, 2022

**Subject: Amendments to the Philadelphia Water Department Regulations:
Chapter 2 – Sections 206.1 and 206.7, Effective Date July 1, 2022**

Please find attached for filing amendments to Chapter 2 of the Philadelphia Water Department Regulations, to be effective July 1, 2022. These regulations are being issued jointly by the Department of Revenue and the Philadelphia Water Department.

In accordance with Section 8-407 of the Philadelphia Home Rule Charter, I am filing these amendments with your Department in order to initiate the public inspection period. Please also find attached a memorandum from the Law Department approving these amendments.

Thank you for your assistance in this matter.

A handwritten signature in blue ink, appearing to read "Randy E. Hayman", is positioned above a horizontal line.

Randy E. Hayman
Water Commissioner

Attachment



City of Philadelphia

LAW DEPARTMENT
Water Division
1101 Market Street
5th Floor
Philadelphia, PA 19107
(215) 685-6160
ji.jun@phila.gov

MEMORANDUM

TO: Randy E. Hayman, Water Commissioner

FROM: Ji Y. Jun, Divisional Deputy City Solicitor

DATE: February 7, 2022

**RE: Amendments to the Philadelphia Water Department Regulations:
Chapter 2 – Sections 206.1 and 206.7, Effective Date July 1, 2022**

I have reviewed the attached amendments to Chapter 2 of the Philadelphia Water Department Regulations and find the regulations to be legal and in proper form.

In accordance with Section 8-407(a) of the Philadelphia Home Rule Charter, you may forward the regulations to the Department of Records where they will be available for public inspection.

A handwritten signature in cursive script that reads "Ji Y. Jun".

Ji Y. Jun
Divisional Deputy City Solicitor

Attachment

206.0 INCOME-BASED WATER RATE ASSISTANCE PROGRAM

206.1 Definitions.

The following words and phrases when used in Sections 206.0 through 206.10 of these regulations have the meanings given to them in this Section unless specifically provided otherwise or unless the text clearly indicates otherwise:

(a) Civil Action: An *in personam* lawsuit filed to collect water and sewer rents. A Civil Action shall be deemed commenced when a Complaint is filed with the Court of appropriate jurisdiction.

(b) Customer: A natural person who (i) is receiving or (ii) is in the process of requesting or simultaneously requests to receive or restore service from the Water Department at such person's primary residence in Philadelphia. A person shall cease to qualify as a Customer under the second category if his or her application for service is ultimately denied.

(c) Federal Poverty Level or FPL: The Federal Poverty Level, as determined annually by the United States Census Bureau.

(d) Hold: A non-permanent suspension of Litigation.

(e) Income: All regular and periodic income from whatever source derived, including but not limited to salaries, wages, income from self-employment, alimony, support money, cash, public assistance and relief, the net amount of any pensions or annuities including railroad retirement benefits, all benefits received under the Federal Social Security Act (except Medicare benefits), all benefits received under State employment insurance laws and veterans' disability payments, all interest received from the Federal or any State government, or any instrumentality or political subdivision thereof, net income from rentals,

workmen's compensation, interest and dividends, and any regular and periodic monetary contributions from a non-household member. Income shall not include overtime; back pay; severance pay; bonuses; tuition reimbursements; loan disbursements; federal or state income tax refunds; lump sum payments of benefits such as loss of time insurance benefits, death benefits, life insurance benefits and other insurance proceeds; Supplemental Nutrition Access Program ("SNAP") benefits or any other form of surplus food or other relief in kind supplied by a governmental agency; or property tax rebate.

(f) Litigation: A Sheriff's Sale or Civil Action as defined in this Section.

(g) Low-income: Income equal to or less than one hundred fifty percent (150%) of FPL.

(h) Monthly Household Income: The monthly Income received by the Customer and all adults residing in the Customer's household.

(i) Rate Board: The Philadelphia Water, Sewer and Stormwater Rate Board, established pursuant to Section 5-801 of the Home Rule Charter and Section 13-101 of the Philadelphia Code.

(j) Sheriff's Sale: An *in rem* lawsuit filed to collect water and sewer rents, pursuant to the Municipal Claim and Tax Lien Law, 53 P.S. §§ 7101, et seq. A Sheriff's Sale shall be deemed commenced when a Petition pursuant to 53 P.S. § 7283 is filed with the Court of appropriate jurisdiction.

(k) Special Hardship: A hardship condition that may include, but is not limited to, the following:

(i) an increase in the Customer's number of dependents in the household; (ii) a seriously ill household member; or; (iii) circumstances that threaten the household's access to the necessities of life if payment of a delinquent bill is required.

(l) Tiered Assistance Program (TAP): The Income-Based Water Rate Assistance Program described in these regulations and Section 19-1605 of the Philadelphia Code.

(m) Pre-TAP arrears: For owners and occupants, the sum of all unpaid service, usage, and stormwater charges at the property, calculated at the time of first enrollment in TAP; or, for tenants, the sum of all unpaid service, usage, and stormwater charges at the property accruing during the period the tenant has been responsible to pay for water service pursuant to the terms of their lease, calculated at the time of first enrollment in TAP.

(mm) TAP Payment Agreement: A payment agreement provided to a Customer enrolled in TAP in accordance with these regulations and Section 19-1605 of the Philadelphia Code.

(on) TAP Bill: A bill issued by the Water Revenue Bureau to a Customer enrolled in TAP for service, usage and stormwater charges and any payments toward pre-TAP arrears.

(pe) WRB: The Water Revenue Bureau, within the City of Philadelphia Department of Revenue.

* * *

206.7 Earned Forgiveness

If a Customer maintains ~~continuous~~ enrollment in TAP, the Customer will obtain forgiveness of outstanding arrears under the following conditions:

(a) A Customer maintaining enrollment in TAP, who makes twenty-four (24) ~~full~~complete monthly payments of the TAP Bill, will earn forgiveness of penalty charges on ~~P~~pre-TAP arrears.

~~(b) After each year of continued enrollment in TAP, any~~ arrears older than fifteen years will be removed in accordance with Philadelphia Code Section 19-1605(1).

(c) As of July 1, 2022, all Customers maintaining enrollment in TAP will receive a one-time lump sum forgiveness of Pre-TAP arrears, in an amount calculated by multiplying the amount of the Customer's Pre-TAP arrears by 1/24 and then by the number of full monthly payments of TAP Bills issued on or after September 1, 2020.

~~(de) After July 1, 2022, a~~ Customer maintaining ~~continuous~~ enrollment in TAP will earn forgiveness upon making each ~~full~~who makes twenty-four (24) complete monthly payments of the TAP Bill, calculated by dividing the amount of the Customer's Pre-TAP arrears by twenty-four (24), on or after September 1, 2020, will earn forgiveness of pre-TAP arrears. The credit for the forgiven debt pre-TAP arrears will be applied to the Customer's account on or after the date of each full~~the twenty-fourth (24th) complete~~ monthly payment of the Customer's TAP Bill during such period of enrollment.

(e) If the Customer develops any arrearage while enrolled in TAP by not paying the full monthly TAP Bill amount, then Pre-TAP arrearage forgiveness will not resume until the monthly TAP Bill amount is paid in full.

~~(fe)~~ In the event that a Customer is unable to maintaining enrollment in TAP ~~for twenty-four (24) consecutive months~~ due to a change in household income between September 1, 2020 and July 1, 2022, that results in a determination that the Customer is no longer eligible for enrollment in TAP, forgiveness of ~~P~~pre-TAP arrears will be ~~earned on the last day of the enrollment period and~~ applied to the Customer's account, in an amount calculated on or after the last day of enrollment with the amount of forgiveness of pre-TAP arrears determined by multiplying the amount of the

Customer's Pre-TAP arrears at the time of initial enrollment by 1/24 and then by the number of complete monthly payments of TAP Bills issued on or after September 1, 2020.

206.0 INCOME-BASED WATER RATE ASSISTANCE PROGRAM

206.1 Definitions.

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(b) Customer: A natural person who (i) is receiving or (ii) is in the process of requesting or simultaneously requests to receive or restore service from the Water Department at such person's primary residence in Philadelphia. A person shall cease to qualify as a Customer under the second category if his or her application for service is ultimately denied.

(c) Federal Poverty Level or FPL: The Federal Poverty Level, as determined annually by the United States Census Bureau.

(d) Hold: A non-permanent suspension of Litigation.

(e) Income: All regular and periodic income from whatever source derived, including but not limited to salaries, wages, income from self-employment, alimony, support money, cash, public assistance and relief, the net amount of any pensions or annuities including railroad retirement benefits, all benefits received under the Federal Social Security Act (except Medicare benefits), all benefits received under State employment insurance laws and veterans' disability payments, all interest received from the Federal or any State government, or any instrumentality or political subdivision thereof, net income from rentals,

workmen's compensation, interest and dividends, and any regular and periodic monetary contributions from a non-household member. Income shall not include overtime; back pay; severance pay; bonuses; tuition reimbursements; loan disbursements; federal or state income tax refunds; lump sum payments of benefits such as loss of time insurance benefits, death benefits, life insurance benefits and other insurance proceeds; Supplemental Nutrition Access Program ("SNAP") benefits or any other form of surplus food or other relief in kind supplied by a governmental agency; or property tax rebate.

(f) Litigation: A Sheriff's Sale or Civil Action as defined in this Section.

(g) Low-income: Income equal to or less than one hundred fifty percent (150%) of FPL.

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(k) Special Hardship: A hardship condition that may include, but is not limited to, the following:

(i) an increase in the Customer's number of dependents in the household; (ii) a seriously ill household member; or; (iii) circumstances that threaten the household's access to the necessities of life if payment of a delinquent bill is required.

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(n) TAP Payment Agreement: A payment agreement provided to a Customer enrolled in TAP in accordance with these regulations and Section 19-1605 of the Philadelphia Code.

(o) TAP Bill: A bill issued by the Water Revenue Bureau to a Customer enrolled in TAP for service, usage and stormwater charges and any payments toward pre-TAP arrears.

(p) WRB: The Water Revenue Bureau, within the City of Philadelphia Department of Revenue.

* * *

206.7 Earned Forgiveness

If a Customer maintains enrollment in TAP, the Customer will obtain forgiveness of outstanding arrears under the following conditions:

(a) A Customer maintaining enrollment in TAP, who makes twenty-four (24) full monthly payments of the TAP Bill, will earn forgiveness of penalty charges on Pre-TAP arrears.

(b) Any arrears older than fifteen years will be removed in accordance with Philadelphia Code Section 19-1605(1).

(c) As of July 1, 2022, all Customers maintaining enrollment in TAP will receive a one-time lump sum forgiveness of Pre-TAP arrears, in an amount calculated by multiplying the amount of the Customer's Pre-TAP arrears by 1/24 and then by the number of full monthly payments of TAP Bills issued on or after September 1, 2020.

(d) After July 1, 2022, a Customer maintaining enrollment in TAP will earn forgiveness upon making each full monthly payment of the TAP Bill, calculated by dividing the amount of the Customer's Pre-TAP arrears by twenty-four (24). The credit for the forgiven debt will be applied to the Customer's account on or after the date of each full payment of the Customer's TAP Bill during such period of enrollment.

(e) If the Customer develops any arrearage while enrolled in TAP by not paying the full monthly TAP Bill amount, then Pre-TAP arrearage forgiveness will not resume until the monthly TAP Bill amount is paid in full.

(f) In the event that a Customer is unable to maintaining enrollment in TAP due to a change in household income between September 1, 2020 and July 1, 2022, that results in a determination that the Customer is no longer eligible for enrollment in TAP, forgiveness of Pre-TAP arrears will be applied to the Customer's account, in an amount calculated by multiplying the amount of the Customer's Pre-TAP arrears at the time of initial enrollment by 1/24 and then by the number of complete monthly payments of TAP Bills issued on or after September 1, 2020.