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USD Seeking Funding for Ratepayer Assistance

At the May 11, 2020 hearing adopting new sewer service charges, USD's Board directed staff to explore options for a possible ratepayer assistance or discount program. District staff reviewed the details and legal constraints regarding discount programs and also researched established programs from a number of other water and sanitary districts to explore all options and alternatives. The conclusion of these efforts was that funding is the number one challenge in establishing these programs as the District cannot use existing ratepayer funds to set up the program.

The manner in which agencies such as USD set rates is highly regulated by voter- approved Proposition 218. Prop 218 states ratepayers cannot pay more than their proportionate share of costs for service. Providing discounts to one segment of the customer base is not allowed as one customer group would be subsidizing another. Ratepayer assistance programs offered by other agencies are often funded through other sources of revenue such as the collection of late fees. Since USD collects sewer service charges on the tax rolls, we do not collect late fees and do not have access to that type of revenue.

Unfortunately, staff was unable to identify an existing method to fund a ratepayer assistance or discount program. Due to these findings, the Board has made it a top priority for staff to continue actively searching for funding opportunities.

Union Sanitary District is committed to doing everything possible to keep our rates as low as they can be. The District will continue to search for state or federal programs that may be used to make a ratepayer assistance program available in the future.