

Media Release

State sends first payments as part of \$1 billion pandemic-related water debt relief program

Water systems began receiving checks Friday to credit customers' accounts

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SACRAMENTO – As part of the state's ongoing efforts to help Californians recover from the pandemic, the State Water Resources Control Board last week sent out the first round of checks to community water systems to cover debt accrued when customers could not pay their water bills due to COVID-19-related financial hardships.

The checks mark the first batch of payments under the \$1 billion <u>California Water and Wastewater Arrearages Payment Program</u>, which provides financial relief to cover payment shortfalls, or arrearages, accrued during the pandemic by customers of water systems that provide drinking water. The State Water Board will distribute funds through Jan. 31, 2022, prioritizing small water systems first. Water systems must <u>apply for funding</u> before **Dec. 6 at 5 p.m.** to participate.

The statewide moratorium on water shutoffs for unpaid bills remains in place through December 2021 in accordance with <u>legislation</u> signed by Governor Newsom on Sept. 23.

The estimated total in statewide arrearages, \$333 million, is based on the board's comprehensive survey of public water systems in California this summer. Funding is available to water systems to cover residential and commercial accounts that are 60 days or more behind on payments for debt accrued between March 4, 2020 and June 15, 2021. As a condition of receiving the funds, participating systems must credit their customers' accounts within 60 days of receiving funds and notify them that their water bill debt has been cleared or reduced.

To date, about 170 systems have applied for arrearages funding \$24.8 million, and this number increases daily as more applications are received.

"The pandemic has had a devastating impact on California in many ways, but we are proud of the fact that Californians who suffered financial hardships during this period have not faced water shutoffs and that this program is relieving the burden of water debt," said Darrin Polhemus, deputy director of the State Water Board's Division of







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Drinking Water. "These checks help both customers and water systems get through this difficult time, especially small systems in disadvantaged communities that already face numerous challenges."

In July 2021, Gov. Newsom and the California Legislature authorized that \$1 billion in federal funding be allocated to the Arrearages Payment Program to provide relief from statewide household and commercial water bill debt as well as wastewater debt. Based on the survey results, program funds are available to meet 100% of reported drinking water debt.

For more on the arrearages program, please see the <u>fact sheet</u>.

The State Water Board's mission is to preserve, enhance and restore the quality of California's water resources and drinking water for the protection of the environment, public health and all beneficial uses, and to ensure proper resource allocation and efficient use for the benefit of present and future generations.

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