CITY OF BALTIMORE COUNCIL BILL 15-0236R (Resolution)

 Introduced by: Councilmembers Stokes, Henry, Middleton, Clarke, Kraft, Holton, Welch, Spector, Scott, Curran, Mosby, Branch, Costello, President Young, Councilmember Reisinger
Introduced and read first time: June 8, 2015
<u>Assigned to: Taxation, Finance and Economic Development Committee</u>
REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Public Works, Department of Finance, Department of Housing and Community Development

A RESOLUTION ENTITLED

1 A COUNCIL RESOLUTION concerning

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2 No Residential Water Shut-Offs Until Delinquent Commercial Accounts are Addressed

FOR the purpose of calling on the Department of Public Works to halt water shut-off efforts
directed against residential accounts owing hundreds of dollars each until it has collected
from, or shut-off water to, the commercial accounts that owe the City millions in unpaid
water bills.

Recitals

8 In late March the Bureau of Water and Wastewater in the Department of Public Works 9 announced a crackdown on seriously delinquent water bills intended to bring some 25,000 10 accounts with roughly \$40 million in past-due water bills up to date. Notices were sent out to 11 these customers indicating that if the bills were not paid water would be shut off.

Early reports indicate that this controversial effort is not being carried out in an even-handed manner. Although residential and commercial accounts are each responsible for about \$15 million in delinquent charges, early enforcement efforts seem to be targeting families' residential accounts exclusively rather than the larger commercial customers.

In the first few weeks of the new enforcement effort, 5 times as much has reportedly been collected from residential accounts than has been collected from commercial accounts. Worse, while homes are having their water shut off at the rate of 400 to 600 a day, there have been no reports of any shut-offs for commercial accounts. This is despite the fact that the average residential account eligible for shut-off owes less than \$600 while the past-due bill for the average commercial account on the list is reportedly in the tens of thousands of dollars, more than 30 times higher.

It's clear that the current enforcement is unfair. The city has lost revenue because it didn't go after delinquent commercial accounts in previous years and that shortfall shouldn't be made up on the backs of poor residents. It's absolutely wrong to nickel-and-dime the average taxpaying resident and allow the businesses to get away with not paying for long periods of time. Collection needs to be done in a way that's fair across the board.

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1 Water bill collection efforts must be handled in a fair, economically sensible, and humane 2 way. Rather than spending countless man-hours cutting off vital water supplies to struggling 3 families to try to bring in a few hundred dollars each, DPW should be concentrating its efforts on 4 collecting the far more significant amounts owed by commercial accounts. Businesses should 5 not be allowed to inflate their profits by forcing residential water customers to pay for their 6 utilities, and all those that attempt to should have their water services cut-off before a single 7 working family is targeted by this effort.

8 **Now, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE**, That the 9 Council calls on the Department of Public Works to halt water shut-off efforts directed against 10 residential accounts owing hundreds of dollars each until it has collected from, or shut-off water 11 to, the commercial accounts that owe the City millions in unpaid water bills.

AND BE IT FURTHER RESOLVED, That a copy of this Resolution be sent to the Mayor, the
Director of Public Works, the Director of Finance, the Chief of the Department of Public Works'
Bureau of Water and Wastewater, and the Mayor's Legislative Liaison to the City Council.