FUNDING FACTOR REDUCTION FOR PRE-EXISTING PROGRAMS:

Safe, Affordable and Reliable Drinking Water is Possible Under Proposed Michigan Water Affordability Legislation

- Proposed legislation in Lansing would **create a water affordability fund to help eligible customers pay their bill.**
- Customers **under 135% of the federal poverty level** (FPL) would pay a water bill that is no more than **2% of household income**, and those with an income between **135% to 200% of the FPL** would pay no more than **3% of household income**.
- Suppliers with a pre-existing program woulds have three fee options under the legislation.

1 A fee of $2 per month for each retail water-metered or flat rate account (and continue to utilize their pre-existing funding mechanism), **or**

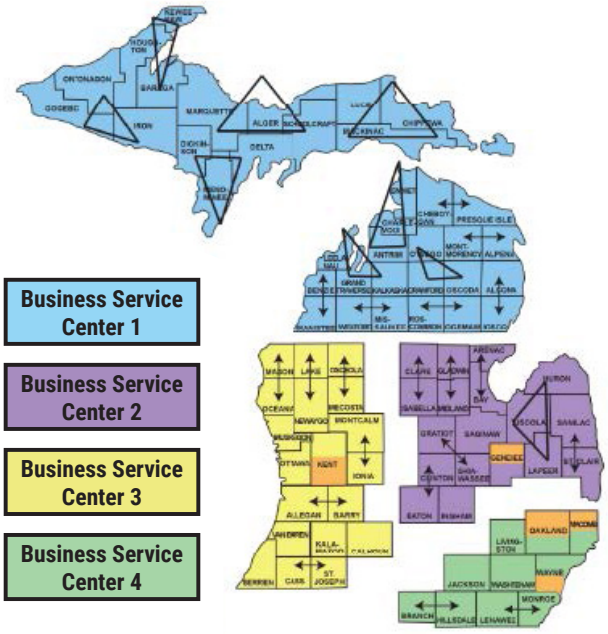
2 A fee of $2 per month for each retail water-metered or flat rate account ***less*** an amount that is equivalent to the average monthly amount the customer paid the previous year for the water assistance program or affordability program in existence on the effective date of the legislation, **or**

3 A fee of $2 per month for each retail water-metered account or flat fee rate ***less*** 10%.

Also, all funds stay within the region they are collected.

- In other words, funds collected in northern Michigan will go to help northern Michigan water customers. Money collected from the funding factor fees within each of the department's business service center regions must be disbursed to providers and program administrators within that same business service center region.[2] **See the regions on the map to the right.**

Michigan Department of Health & Human Services
Business Services Centers



Learn more at miwaterplan.com

[1] Initial fee is a $2 funding factor per account. After 3 years, the department of treasury may adjust the funding factor annually but cannot exceed $3 per account. (SB550, Sec. 14t(9) and (10))
[2] SB550, Sec. 14t(15).