

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY OF SAN JOSE
AMENDING SECTION 15.08.330 OF CHAPTER 15.08 OF
TITLE 15 OF THE SAN JOSE MUNICIPAL CODE
REGARDING PAYMENT OF BILLS FOR MUNICIPAL
WATER SERVICE TO CONFORM TO STATE LAW**

WHEREAS, on September 28, 2018, the State of California adopted Senate Bill 998 (SB 998) to address discontinuation of water service; and

WHEREAS, the City Council desires to modify the San Jose Municipal Code to comply with SB 998 and to delegate the authority to the Director of Finance to cancel or refund interest charges when SB 998 or other law requires such action;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SAN JOSE:

SECTION 1. Section 15.108.330 of Chapter 15.08 of Title 15 of the San José Municipal Code is amended to read as follows:

15.08.330 Payment for Service

- A. Any bill for municipal water service not paid by the due date specified in the bill shall be deemed delinquent.

- B. If any bill for municipal water service becomes delinquent, a late charge in an amount set forth in the Schedule of Fees established by resolution of the City Council shall be added to the bill. The late charge shall be in addition to any administrative charges imposed for reconnection of service in the event of service shut-off due to non-payment.

- C. Notwithstanding subsection B. above, the Director of Finance may cancel the late charge for municipal water service if:
1. The person whose name appears on the bill can demonstrate that, prior to its due date, the bill was not received for the billing period for which the late charge is imposed; and
 2. The person whose name appears on the bill files a request for cancellation with the Director of Finance within ninety (90) days of receiving notice of the late charge.
- D. Notwithstanding subsection B. above, if the Director of Finance determines that a late charge was erroneously added to a bill for municipal water service, the Director may:
1. Cancel the late charge in any case where the error is discovered prior to the payment of the late charge; or
 2. Refund the late charge in any case where the error is discovered after the late charge has been paid.
- E. Notwithstanding subsection B above, the Director of Finance may cancel any late charge imposed on a bill for municipal water service, in an amount not to exceed Five Hundred Dollars (\$500) if:
1. The person whose name appears on the bill requests a cancellation within thirty (30) days of receiving notice of the late charge; and
 2. During the twenty-four-month (24) period immediately preceding the billing date on the bill on which the late charge first appears, the person whose

name appears on the bill has not been granted any other cancellation of a late charge for municipal water service provided to the premises for which the bill was issued; and

3. Prior to the cancellation of the late charge, the person whose name appears on the bill pays the delinquent bill for which the late charge was imposed.

F. Notwithstanding the foregoing, the Director of Finance may cancel the interest charges and late fees on residential municipal water services for those financially unable to pay as set forth and defined in the San Jose Municipal Water System Rules and Regulations or the City's administrative policies regarding water services.

PASSED FOR PUBLICATION of title this _____ day of _____, 2019, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

SAM LICCARDO
Mayor

ATTEST:

TONI TABER, MMC
City Clerk