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Res. No. 1359

Resolution calling on the New York City Water Board to not impose penalties or interest on water and sewer bills during the COVID-19 pandemic.

By Council Members Vallone, Gjonaj, Chin, Yeger and Cornegy

Whereas, On March 20, 2020, Governor Andrew Cuomo signed the "New York State PAUSE" Executive Order requiring all non-essential New York businesses to reduce their in-person workforce by 100% in order to limit the spread of COVID-19; and

Whereas, New Yorkers were ordered to stay-at-home and limit their outdoor activities; and

Whereas, New York State PAUSE was established to save the lives of many New Yorkers, but has also created a financial hardship for many households; and

Whereas, According to the New York State Department of Labor, private sector jobs in New York City fell by 883,000 in April 2020; and

Whereas, New York City's seasonally adjusted unemployment rate was 14.2 percent in April 2020, an increase of 10.1 percent from March and a rise of 10.0 percent from April 2019; and

Whereas, The New York City Independent Budget Office projects the City will lose a total of 446,000 jobs by September 2020; and

Whereas, In April 2020, the New York City Independent Budget Office issued a report predicting that New York City could face its worst recession since the fiscal crisis of the 1970s; and

Whereas, On June 10, 2020, the Federal Reserve issued a statement expressing that the COVID-19 pandemic "will weigh heavily on economic activity, employment and inflation in the near term, and poses

considerable risks to the economic outlook over the medium term"; and

Whereas, The Federal Reserve Board members and Federal Reserve Bank presidents released projections that the unemployment rate would remain elevated for years, falling to 5.5 percent by the end of 2022; and

Whereas, The New York State Legislature established the New York City Water Board in 1984 pursuant to the New York City Municipal Water Finance Authority Act; and

Whereas, The New York State Public Authorities Law authorizes the New York City Water Board to collect and enforce payment and service charges related to the City's sewerage and water systems; and

Whereas, In the City, all overdue water and sewer bills are considered a lien against the owner's property; and

Whereas, According to the New York City Department of Environmental Protection, residential customers are deferring payments because of economic hardship as a result of the COVID-19 pandemic; and

Whereas, Since March 16, 2020, water and sewer bill payments are 12 percent lower than during the same time period in fiscal year 2019; and

Whereas, Interest and late fees generally continue to accrue for not paying water and sewer bills; and

Whereas, Forgiving all interest and late fees accrued during the COVID-19 pandemic would provide residents with some measure of economic relief since once the pandemic ends, many residents would still not be able to pay these fees; now, therefore, be it

Resolved, That the Council of the City of New York calls on the New York City Water Board to not impose penalties or interest on water and sewer bills during the COVID-19 pandemic.

LS #14752
6/24/2020
JSA