

The City of Seattle
Ordinance 127468
Council Bill 121222

An ordinance relating to the Utility Discount Program; amending the income threshold for the utility discount program for water, wastewater, drainage, solid waste, and electric utility services; and amending Sections 21.49.040 and 21.76.030 of the Seattle Municipal Code.

Recitals:

The Utility Discount Program (UDP) is one of The City of Seattle's (City's) largest and most popular affordability programs.

The program has helped people in need of economic assistance since 1975.

Through the UDP, eligible households can receive a 60 percent discount on their Seattle City Light bills and a 50 percent discount on their Seattle Public Utilities bills.

The UDP has been identified as a key piece of the City's Anti-Displacement Action Plan, the City's strategy for preventing and reducing displacement as the city grows.

Washington's Clean Energy Transformation Act (CETA), signed into law in 2019, requires electric utilities to demonstrate progress toward making energy assistance funds available to low-income households, defined as household incomes that do not exceed 80 percent of the area median income.

The City's UDP is currently only available to people with incomes that do not exceed 70 percent of the state median income.

Using Seattle's area median income, which is much higher than Washington's state median income, would better align with CETA's definition of low income and with CETA's intent to make discounts more available for energy assistance.

The UDP currently uses the same income eligibility threshold for both Seattle City Light and Seattle Public Utilities, and the City wishes to maintain consistent eligibility thresholds going forward.

The Council envisions this eligibility threshold adjustment as the first step of a three-step process to expand UDP eligibility to households with incomes up to 80 percent of area median income. Therefore,

Be it ordained by The City of Seattle as follows:

Section 1. Section 21.49.040 of the Seattle Municipal Code, last amended by Ordinance 125171, is amended as follows:

21.49.040 Residential rate assistance

A. Utility discount program established

1. The City has established a utility discount program to assist qualified low-income residential utility customers with the costs of utility services provided by the City, including electric utility services.

2. The utility discount program is available to qualified low-income residential customers in accordance with this Chapter 21.49.

3. The utility discount program is available for separately metered residential service provided to customers who show satisfactory proof that they have a

City Light residential account and reside in the dwelling unit where the account is billed and that they:

- a. Receive Supplemental Security Income pursuant to 42 USC Sections 1381–1383; or
- b. Reside in a household in which the annual income of all household members together does not exceed ((70)) 60 percent of the ((Washington State)) area median income for the number of individuals in the household as computed annually by the ((state or the City)) United States Department of Housing and Urban Development in the Multifamily Tax Subsidy Projects Income Limits for the Seattle-Bellevue, WA Metro Fair Market Rent Area.

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Section 2. Section 21.76.030 of the Seattle Municipal Code, last amended by Ordinance 125050, is amended as follows:

21.76.030 Utility discount program qualification

A. Water, wastewater, drainage, and solid waste rate discounts are available for residential utility services provided by the City upon satisfactory proof that a member of the household is billed directly for utility services provided by the Department and receives a bill from Seattle Public Utilities or a third party biller, or the household pays for utility services provided by the Department indirectly through its rent and is either billed by City Light for its electric utilities or the building owner of the household's residence has entered an agreement under Section 21.76.050, and:

1. Receives Supplemental Security Income pursuant to 42 USC Sections 1381 through 1383; or

2. Has annual income that when combined with the annual income of all household members does not exceed ~~((70))~~ 60 percent of the ~~((Washington State))~~ area median income for the number of individuals in the household as computed annually by the ~~((State or the City))~~ United States Department of Housing and Urban Development in the Multifamily Tax Subsidy Projects Income Limits for the Seattle-Bellevue, WA Metro Fair Market Rent Area.

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Section 3. The City Council intends to consider legislation in 2027 to extend Utility Discount Program benefits to households with incomes up to 70 percent of area median income by January 1, 2028, and to households with incomes up to 80 percent of area median income by January 1, 2029. The City Council desires to collaborate with the Mayor and Executive departments to determine whether to tier Utility Discount Program benefits for households at income levels above 60 percent.

Section 4. The City Council requests that Seattle Public Utilities, in coordination with Seattle City Light and the Human Services Department, publish an annual report on Utility Discount Program participation rates and departmental efforts during the previous calendar year to increase program participation. The annual reports should be published by April 1 of each year, beginning in 2027 and ending in 2031.

Section 5. Sections 1 and 2 of this ordinance shall take effect on January 1, 2027.

This ordinance shall take effect as provided by Seattle Municipal Code Sections
1.04.020 and 1.04.070.

Passed by the City Council and signed in open session in authentication of its
passage on July 14, 2026.



President _____ of the City Council

Approved _____ on July 17, 2026.



Katie B. Wilson, Mayor

Attested on July 17, 2026.



Scheereen Dedman, City Clerk

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