

# FEDERAL LOW-INCOME WATER ASSISTANCE

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Regulatory Affairs



NATIONAL ASSOCIATION  
OF WATER COMPANIES

# NAWCC

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**4.5 billion**  
gallons of drinking  
water delivered



**73 million**  
Americans Served



**100,000 miles**  
of pipe maintained

## Upward Pressure on Rates = Need for Permanent Federal Water Assistance

- ✓ Aging Infrastructure
- ✓ Cybersecurity challenges
- ✓ Climate change
- ✓ Emerging contaminants
- ✓ Industry fragmentation

# LIHWAP:

## LOW-INCOME HOUSEHOLD WATER ASSISTANCE PROGRAM

### Creation & Funding

- Consolidated Appropriations Act of 2021 = \$638 million
- American Rescue Plan Act = \$500 million
- Total funding for the program is **\$1.138 billion**

### Administering Agency

- U.S. Department of Health and Human Services (**HHS**),  
Office of Community Services, Administration for Children and Families

### Purpose

- Emergency program to assist low-income households with their water and wastewater bills
- **3 Priorities:** (1) restore service (2) prevent disconnection (3) reduce rates

### Timing

- Temporary program that expires **September 30, 2023**, or when funding runs out, whichever is first



# LIHWAP: PROGRAM STATUS

## Participants

- **46 states** launched LIHWAP programs
- Over **70 tribes** launched LIHWAP programs

## Households Served

- Over **304,000** households received bill or arrearage assistance
- Over **99,000** households had services restored or disconnection prevented

## Funding Drawdown

- **25%** of funding has been used

**2020**

**December** - LIHWAP created

**2021**

**August** - state plans due to to HHS

**September** - 1<sup>st</sup> state began accepting customer applications (Montana)

**December** - 24 states and 56 tribes were accepting applications

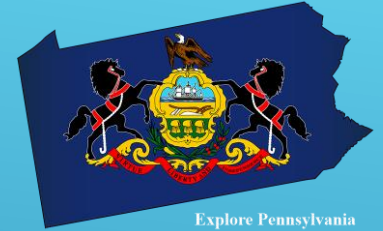
**2022**

**Fall** - some states beginning to expend all LIHWAP funds (KY & PA)

# LIHWAP: SUCCESS STORIES & LESSONS LEARNED

## Success Stories

- Pennsylvania and Kentucky already distributed 100% of their LIHWAP Funds



## Challenges

- Launch timing
- Capacity of small utilities
- Bundled bills
- Modifying utility data systems
- Lack of funding
- # of water utilities nationally
- Data lag

## Lessons Learned

- Benefits of technology
- Importance of reducing barriers to entry
- Effectiveness of categorical eligibility

**PromisePay**

# EPA: WATER ASSISTANCE PROGRAM

- **Creation**

- Section 50109 of the **Infrastructure Investment and Jobs Act** (IIJA) of 2021
- Rural and Low-Income Water Assistance Pilot Program

- **Administering Agency**

- U.S. Environmental Protection Agency (**EPA**)

- **Scope**

- Grants to **40 utilities**
- Tied to needs assessment?

- **Purpose**

- To develop and implement programs to assist qualifying households with need in maintaining access to drinking water and wastewater treatment

- **Funding**

- **\$0**
- Without an authorization of appropriations, the EPA is unable to move forward on this

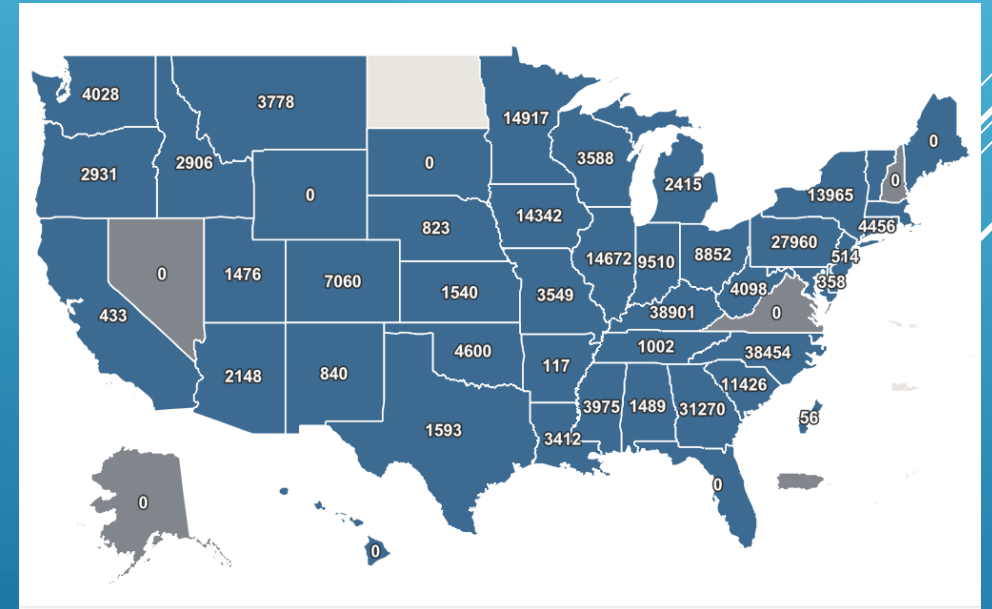


# LOOKING AHEAD

- Lack of funding for any permanent federal water assistance program

## Where Do We Go From Here?

- Possible redistribution of LIHWAP funds
  - CA, FL, TX = received the most funding
- Advocate for permanent federal funding
- State programs?
- Industry consolidation
- Water Quality Accountability Legislation



MAP OF APPLICATION ACCEPTANCE STATUS

THANK YOU

