FEDERAL LOW-INCOME WATER ASSISTANCE

April Ballou, General Counsel and VP of State Regulatory Affairs
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 HHS
September - 1st state began accepting customer applications (Montana)

2022
December - 24 states and 56 tribes were accepting applications
Fall - some states beginning to expend all LIHWAP funds (KY & PA)

*Data from LIHWAP Third Quarter Report (Oct 1, 2022 – June 30, 2022)
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
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
THANK YOU