

## **Households Still Have Not Received Aid from New Federal Water Bill Assistance Program**

*A new federal assistance program is slow to launch. At least one state is turning to other pots of money to help residents with overdue water bills.*



A water meter cover in Los Angeles, California. Photo © J. Carl Ganter/Circle of Blue

- Though Congress set aside more than \$1.1 billion to assist low-income households with past-due water bills, the Low-Income Household Water Assistance Program is still being established and no aid has been provided to people.
- California is using federal pandemic relief funds from the American Rescue Plan Act to operate a separate program to forgive customer water debt.
- The future of the water bill assistance program is unclear, and if made permanent it could be moved to a different agency.

**By Brett Walton, Circle of Blue – November 10, 2021**

Last December, spurred by household financial distress due to the pandemic, Congress authorized the first-ever federal program to help low-income residents pay overdue water bills. Lawmakers provided \$638 million to set up the program and assist households with their water debt.

Four months later, in March 2021, federal lawmakers doubled down on the approach. They added \$500 million to the pot, an addition that brought total funding to more than \$1.1 billion for the Low-Income Household Water Assistance Program, or [LIHWAP](#), as it came to be called.

Today, households are still waiting. No LIHWAP funding has been delivered to customers. The U.S. Department of Health and Human Services, which is in charge of the program, told Circle of Blue it has distributed \$855 million to states. But states are merely an intermediary. Once they have the funds, states then work with community agencies or individual utilities to identify eligible households

and get them to apply for aid. Approved households will see a credit on their utility bill. That has not yet happened.

Those versed in the workings of federal benefits programs and water utility operations knew that starting a new initiative, even one modeled after a federal aid program for energy bills, would not be a quick and simple task.

Alexandra Campbell-Ferrari, executive director of the Center for Water Security and Cooperation, a research group, identified many of the hurdles to overcome. Neither federal agencies nor states nor utilities had much data on the size of customer water debts or which households were in financial distress. Those information gaps left them without the basis for understanding who needed the money. What's more, new relationships between government and local agencies had to be formed.

"None of these pathways had been created so it made it difficult to get a new program off the ground," Campbell-Ferrari told Circle of Blue.

Observers also knew of other shortcomings. Even though there is limited national data on customer water debt, the few existing data points indicated that the funding would not be sufficient for the scale of the problem. The Michigan Department of Health and Human Services, for instance, notes \$252 million in residential water debt in the state. Yet Michigan's LIHWAP [allocation](#) is just \$36 million.

## SLOW ROLL OUT

Forty-nine states, the District of Columbia, five territories, and 103 Native American tribes are eligible for LIHWAP funds. North Dakota decided not to join the program because it was using other federal funding sources for customer water debt relief.

Though LIHWAP was allocated more than \$1.1 billion, not all of that money will help people in need. Because it is a new program an entire administrative apparatus must be constructed — things like staff, databases, and report tracking. The law allows no more than 15 percent of LIHWAP funds to be spent on these support structures.

There are other overhead expenses, too. Outreach to eligible customers to inform them about the program, reviewing applications, and chasing down missing application paperwork do not count as "administrative costs." States can also apply their share of the LIHWAP funds toward these activities.

In the end, there will be far fewer dollars available to needy households than the \$1.1 billion headline figure suggests. California was allocated \$116 million in LIHWAP funds. The state's [work plan](#), which has been approved by the Department of Health and Human Services, maps out projected spending.

Fifteen percent will go toward administration, and 10 percent toward outreach and determining eligibility. Only three-quarters of the state's allocation, or \$87 million, will reach individual households.

The California Department of Community Services and Development, which is administering the state's program, says it still has additional steps to take before households see a benefit. The department will release draft program guidelines in December for public comment. Among other things, the guidelines will determine how funds will be distributed within the state. Once the guidelines are approved, money will be sent to local partner organizations, which will make payments to utilities on behalf of customers. That is likely to happen early next year, the department said.

In the meantime, California lawmakers stepped in with their own [water bill assistance program](#). A budget act signed into law in July allocated \$985 million in federal American Rescue Plan Act funds to that purpose. The money is intended to help residents pay off past-due water bills that accumulated in the pandemic period of March 4, 2020 to June 15, 2021.

Based on data collected this summer, the State Water Resources Control Board estimates that total residential and commercial water debt is [\\$324 million](#). That is far less than a \$1 billion estimate that the board published in January. Blair Robertson, a board spokesperson, said the change reflects customers who paid off debts and utilities doing a more thorough analysis.

The State Water Resources Control Board is in charge of the state debt forgiveness program. Unlike the federal program, the board is not using community agencies as intermediaries. Instead it is sending funds directly to utilities, which will credit customer accounts and waive late fees. Those distributions began this month. The Los Angeles Department of Water and Power, the entity with the greatest need, received \$285 million. (Allowances for administrative costs are much smaller for the state program. Utilities can use 3 percent of their funds or \$1 million, whichever is less.)

The relative speed of this approach casts a light on the slower development of LIHWAP. For a program that was pitched as emergency relief for pandemic-induced financial pressures, waiting more than a year from congressional action to household benefit strikes some as too much red tape.

Kristina Surfus is the managing director of government affairs for the National Association of Clean Water Agencies, a trade group for wastewater utilities. NACWA supports a federal water bill assistance program and Surfus has been tracking the progress of LIHWAP.

Surfus told Circle of Blue that NACWA's members are concerned at the slow pace. "There's frustration at the moment for funds not going out," she said.

Manny Teodoro of the University of Wisconsin, Madison, said that such delays should have been expected, especially when Congress gave so little guidance on the design of the program. The U.S.

political system, which involves coordination with states, tribes, and territories, and the sheer number of water utilities — nearly 50,000 by one estimate — add more layers of complexity.

“Creating a new means-tested program from scratch is just really hard in this country,” said Teodoro, who studies water utilities and public policy. Even a long-running existing program like LIHEAP, the energy bill assistance program set up four decades ago, has limited reach. It provides aid to about one-sixth of eligible households.

Teodoro said that instead of establishing a new program during the pandemic, a faster option would have been grants to states, as is done with the Community Development Block Grant.

Down the road, Teodoro said, a federal water bill assistance program could piggyback on existing platforms, such as those used to distribute food aid. Incorporating water bill assistance into the SNAP system, he said, would fix several deficiencies with the current LIHWAP approach: it would cut down on administrative costs, reach more people, and deploy funding faster.

There are other concerns about LIHWAP’s management. Campbell-Ferrari and colleagues at the Center for Water Security and Cooperation [reviewed](#) 28 state LIHWAP plans. They found that where a person lives determines their access to funds and that households where water has been shut off may not necessarily be first in line for funding. States determine who is eligible for the program, what documentation they need, how to prioritize the distribution of funds, and how much money households can receive. Michigan, to cite one example, will cap funding at \$1,000 per household. For California, the cap is \$2,000 per household.

Campbell-Ferrari is also alarmed at the absence of publicly available data from the Department of Health and Human Services about how the states are implementing LIHWAP. “The lack of transparency is problematic,” Campbell-Ferrari said. “There’s no real opportunity to understand how the program is achieving its purposes.”

## FUTURE MOVES

The long-term prospects for federal water bill assistance are unclear. LIHWAP does not have permanent authorization and there are debates in Congress about the best approach after December 31, 2023, the date by which states are required to hand out their allocations. The Department of Health and Human Services may have laid the foundation for a building that will be knocked down in two years.

Clues to the future can be divined in the infrastructure bill that is now headed to President Biden’s desk. In that behemoth piece of legislation Congress authorized a water bill assistance pilot program run by the U.S. Environmental Protection Agency. However, no funding was included and a

nationwide water affordability needs assessment must first be completed, to understand the scale of the problem.

Separately, the [Build Back Better Act](#), the president's social spending bill, allocates to the EPA \$225 million in fiscal year 2022 to help low-income households pay water debts or reduce their bills.

Those two legislative moves, Surfus said, indicate that sentiment in Congress is shifting toward the EPA as the home for a permanent water bill assistance program, if one is eventually created. There are pros and cons. The EPA has existing relationships with water utilities, but it does not have much experience running benefits programs like the Department of Health and Human Services.

But even if funding is appropriated for an EPA program, the agency will face a task similar to that of the LIHWAP architects: starting a new program. Though some of the foundations of LIHWAP could be transferred, an EPA program would also require staff and paperwork and would not immediately begin handing out assistance.

"It's not going to happen overnight," Surfus said.

## **EPA Office of Water Bipartisan Infrastructure Deal Meeting**

Thursday, 11 November 2021

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**G. Tracy Mehan III, Executive Director of Government Affairs** for the American Water Works Association (**AWWA**), sent me this information from a meeting with EPA folks about the recently-passed Bipartisan Infrastructure Deal.

Dear Colleagues,

Thank you for joining Assistant Administrator Radhika Fox and the Office of Water today to learn more about the essential investments in water infrastructure that EPA, with its state, Tribal, and local partners, will be making as it implements the Bipartisan Infrastructure Deal (BID).

We invite you to join us in informing the broader water community about the historic opportunities that lay ahead for solving our most pressing water challenges. To do so, we encourage you to share this [video message from Assistant Administrator Radhika Fox](#), and the attached BID water fact-sheet, with your stakeholders and colleagues.

As Assistant Administrator Fox shared on today's call, this is just the beginning of our work to inform you about what is in the BID, and we look forward to continuing conversations with you to ensure that you and your stakeholders are able to maximize the impact of these investments. Please stay tuned for information on upcoming and more tactical engagement opportunities.

Regards, **Juan Sabater (He/Him)** Special Assistant, Office of Water IO  
U.S. Environmental Protection Agency Cell: (202) 815-9919 | [sabate...@epa.gov](mailto:sabate...@epa.gov)

Here is the two-page BID water fact sheet, which is pasted below.

[Download EPA Water BID Fact Sheet](#)



## Bipartisan Infrastructure Deal: A Historic Investment in Water

President Biden's leadership and bipartisan Congressional action have delivered the single-largest investment in U.S. water infrastructure ever. The Bipartisan Infrastructure Deal invests **more than \$50 billion** through EPA's highly successful water infrastructure programs.

**\$20+ billion for safe drinking water.**

**\$15 billion in dedicated funding to replace lead pipes.**

**\$12+ billion to ensure clean water for communities.**

**\$1.8 billion to protect regional waters.**

**\$135 million for additional water improvements.**

With this funding, EPA, states, Tribes, and localities have a once-in-a-lifetime opportunity to strengthen and rebuild America's water infrastructure. EPA will ensure that all communities get their fair share of this federal water infrastructure investment—especially disadvantaged communities. This funding will put Americans to work in good-paying jobs and support a thriving economy.

### Safe Drinking Water

There are still an estimated 6 to 10 million lead service lines in cities and towns across the country, many of which are in low-income neighborhoods and communities of color. The Bipartisan Infrastructure Deal will deliver resources to remove these lead pipes, in line with President Biden's goal of removing 100% of lead service lines. This means that millions of families will be able to rely on drinking water that is safe from lead and other contaminants.

### Clean Water for Communities

The nation's wastewater and stormwater management systems that are critical to safely returning used water to the environment are aging and breaking down. With more than \$12 billion for clean water infrastructure, communities will be able to upgrade these critical systems. This means that more people will be able to swim, fish, and play in their waters and the environment will be cleaner and more vibrant.

### Protecting Regional Waters

Investing in regional waters—from the Chesapeake Bay, to the Great Lakes, to the Puget Sound—will better protect the nation's largest and most treasured waters to ensure that they continue to serve as vital economic and recreational assets.

**Water is life.** It keeps us healthy, sustains vibrant communities and dynamic ecosystems, and it supports the economy. **Water infrastructure** is essential to delivering reliable, affordable, and safe water. When water infrastructure fails, it threatens people's health, peace of mind, and the environment. The **Bipartisan Infrastructure Deal** provides a historic investment to replace pipes, upgrade water treatment facilities, and ensure that America's water systems are resilient for the future.

## Safe Drinking Water

**\$15 billion**

**Lead Service Line Replacement through the [Drinking Water State Revolving Funds](#)**  
49% of funds will be provided to communities as grants or principal forgiveness loans.  
51% of funds will be available to communities for low-interest loans.  
State match is not required.

**\$11.7 billion**

**Drinking Water State Revolving Funds**  
49% of funds will be provided to communities as grants or principal forgiveness loans.  
51% of funds will be available to communities for low-interest loans.  
State match is reduced to 10%.

**\$4 billion**

**Addressing Emerging Contaminants through the Drinking Water SRF**  
Can be used to remediate PFAS in drinking water.  
All funds provided to communities as grants or principal forgiveness loans.  
State match is not required.

**\$5 billion**

**Addressing Emerging Contaminants in Disadvantaged Communities**  
Funding through [Small, Underserved, and Disadvantaged Communities Grants](#)  
Can be used to remediate PFAS in drinking water.  
Provided as grants.  
State match is not required.

## Clean Water for Communities

**\$11.7 billion**

**Clean Water State Revolving Funds ([CWSRF](#))**  
49% of funds will be available for grants or principal forgiveness loans.  
51% of funds will be available for low-interest loans.  
State match is reduced to 10%.

**\$1 billion**

**Addressing Emerging Contaminants**  
Funding through Clean Water State Revolving Funds.  
All funds provided as grants or principal forgiveness loans.  
State match is not required.

## Protecting Regional Waters

**\$1.7 billion**

**Geographic Programs**  
Funding directed to 12 federally recognized geographic programs.

**\$132 million**

**National Estuary Program ([NEP](#))**  
Funding to be distributed across 28 Federally recognized estuaries to restore vulnerable coastal areas and communities.

## Additional Investments in Water

**\$60 million**

**Gulf of Mexico Hypoxia Task Force ([HTF](#))**  
Funding to be divided equally across 12 Hypoxia Task Force states.

**\$50 million**

**Underground Injection Control Grants ([UIC](#))**  
Funding to support states' efforts to attain Class VI primacy.  
100% of funding provided as grants.  
State match is not required.

**\$25 million**

**Permitting Class VI Wells ([Class VI Wells](#))**  
Support to EPA for carbon sequestration programs.

Enjoy! And thanks, Tracy!

*"Thousands have lived without love, not one without water."* – W.H.Auden

**Colorado weather: Unseasonably warm fall could mean warmer, drier winter in Pueblo**

[Lacey Latch](#) The Pueblo Chieftain Nov 9, 2021

Most years by Nov. 9, Puebloans would have already experienced their first snowfall and retired their lighter jackets for heavy winter coats.

That's not the case this year.

"The weather patterns have just been really unfavorable for any sort of snow here in Pueblo so far this year," said Cameron Simco, a meteorologist with the [National Weather Service](#) in Pueblo. "It's just been kind of warm and the systems that come through are really fast and don't give us a lot of time to get snow here."

With temperatures in Pueblo reaching 80 degrees over the weekend of Nov. 6-7, the city came just a few degrees short of setting new record high temperatures for those dates.

Meanwhile, Colorado Springs and Alamosa were both hot enough over the weekend to set new record highs, according to the NWS.

What this means for Pueblo's winter ultimately comes down to the larger climate patterns moving through the atmosphere.

"I know we're forecasted from our climate partners to have a La Niña, which gives Pueblo generally a drier, warmer winter," Simco said.

La Niña, the colder counterpart to El Niño, refers to the climate pattern that occurs in the Pacific Ocean every few years, drastically impacting the weather around the world and in the United States.

Typically during a La Niña year, winters in the southwest become warmer and drier as the northern part of the country experiences a wetter, colder season.

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