

Low Income Household Water Assistance Program (LIHWAP) State Plan Public Meeting

July 29, 2021



California Department of
Community Services & Development

AGENDA

- LIHWAP Federal Guidance
- State Plan Overview
- Questions/Comments



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About CSD

Who We Are

- CA Department of Community Services and Development (CSD)
- Under U.S. Department of Health and Human Services

Mission:

- Reduce poverty for Californians by helping low-income families achieve and maintain economic security, meet their home energy needs, and reduce their utility costs through energy efficiency upgrades and access to clean renewable energy.



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LIHWAP State Plan Background

- Issued by the U.S. Department of Health and Human Services' Office of Community Services (HHS)
- Outlines the program design and implementation of LIHWAP in California

Timeline

- State Plan to be submitted by **August 9, 2021**
- Expected approval by end of **September 2021**
- Expected implementation of **Late Fall**
- Funds must be expended by **September 2023**



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Federal Funding Overview

Consolidated Appropriations Act 2021

- Signed into law on December 27, 2020
- Public Law No: 116-260
- \$638 million

American Rescue Plan Act 2021

- Appropriated funding for LIHWAP on March 11, 2021
- Public Law No: 117-2
- \$500 million

CA
\$116
Million



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Federal Guidance

- Funds shall be used as part of an overall **emergency effort** to prevent, prepare for, and respond to the coronavirus, with the public health focus of ensuring that **low-income households** have access to safe and clean **drinking water and wastewater services**.
- Reduce **arrearages and rates** charged to households
- Benefits paid directly to the **owners and operators of public water systems**
- Program models such as the Low Income Home Energy Assistance Program (**LIHEAP**) shall be used, where practicable



Section 1: Program Needs, Goals & Allocations

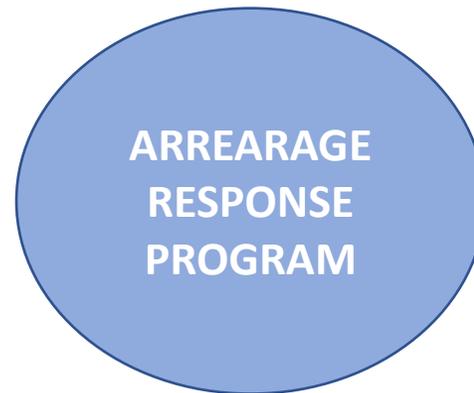
NEED

- In 2019 at least 500,000 Californians experienced **water shutoffs due to nonpayment**
- CA water systems operating under a **moratorium on service disconnections** for nonpayment (Executive Order N-42-20) until September 30, 2021 (Executive Order Executive Order N-08-21)
 - *CPUC regulated utilities extended suspension of disconnection past Sept 30th, but no later than Feb 1, 2022*
- State Water Resources Control Board survey found 1.6 million accumulated **approximately \$1 billion in water bill debt** from March 2020 to January 2021.
- Feedback from California wastewater providers estimates, COVID-related wastewater arrearages may total to **several hundred million dollars**.



Section 1: Program Needs, Goals & Allocations

Goals



- *Drinking water and Wastewater Service Arrearages*
- *Benefit based on customer's past due balance + current charges*
- *Goal to restore services or prevent service disconnections*



Section 1: Program Needs, Goals & Allocations

Goals

- Modeled after LIHEAP, where applicable
- LIHEAP Local Service Providers (LSPs) will conduct outreach, intake, administration services at the local level
- Coordinate with State Water Resources Control Board \$1 billion state funded water assistance program



Section 1: Program Needs, Goals & Allocations

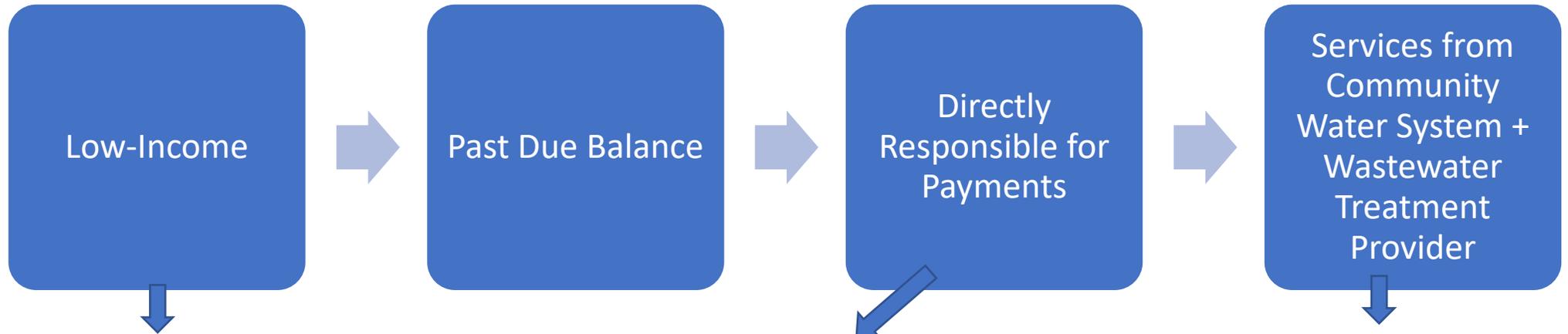
Allocation

	Consolidated Appropriations Act of 2021 Percentage (%)	American Rescue Plan Grant Percentage %
Household Benefits	72%	72%
Outreach/Eligibility Determination	13%	13%
Administration – State	10%	10%
Administration – Subrecipients	5%	5%
Total	100%	100%



Section 2: Benefits

Eligibility



60% State Median Income (SMI)

- *Based on gross income*
- *Countable income listed in state plan*

E.g., water services not included in rent

“Community Wastewater System” means a public water system with **15+ service connections used by yearlong residents** or regularly serves at least **25 yearlong residents** of the area served by the system.

“Wastewater treatment provider” means a **city, county, special district, or joint powers authority** that provides **wastewater collection, treatment, or disposal service** through a publicly owned treatment works.

Section 2: Benefits

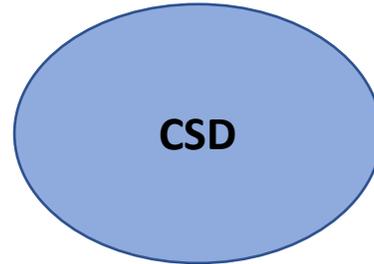
Benefit

- One-time benefit
- First come, first serve basis
- Based on past due balance + current charges
 - Includes late fees, reconnection fees, taxes, etc.
- Maximum of \$1,000



Section 3: Outreach

Outreach Activities



Will coordinate with water utilities/associations to target outreach to potential recipients and coordinate referrals to LSPs



Will conduct outreach similar to LIHEAP

- Mailers, phone campaigns, coordination with other low-income programs, etc.



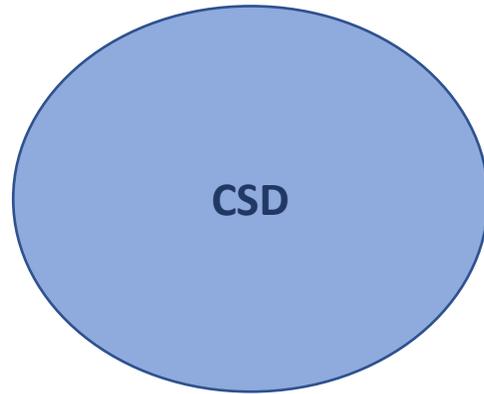
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Section 4: Coordination

- Dual enrollment in CSD programs: LIHWAP, LIHEAP and DOE
- Referrals to other low-income programs
 - Water and energy conservation programs
 - Emergency Rental Assistance Program
- Regulatory Authorities
 - California Public Utilities Commission
 - State Water Resources Control Board



Section 5: Agency Designation



- State Oversight
- Payments to Water and Wastewater Service Providers via 3rd Party funds Disbursement Partner



- LIHEAP Network
- Nonprofit and Local Government Agencies
- Intake, Outreach and Local Administration
- Payments directly to Water and Wastewater Service Providers if not in direct pay agreement with CSD



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Section 6: Water Suppliers

CSD or LSPs will enter into agreements with Water and Wastewater Service Suppliers

- ✓ Payment process agreements
- ✓ Ensure customers will not be treated adversely
 - *Ex: ensure fees, deposits or other burdens are not placed on an applicant once they are identified as low-income*
- ✓ Require Water and Wastewater Service Suppliers to report on benefits that prevented or restored disconnections
- ✓ Require Water and Wastewater Service Suppliers to confirm account was credited



Section 7: Program, Fiscal Monitoring, and Audit

Monitoring

- CSD is responsible for oversight of the operations for the LIHWAP
- CSD is required to monitor the activities of the LSPs and conducts regular monitoring reviews
- Reviews will ensure LSPs meets the Administrative, Financial, Programmatic, and other applicable requirements as prescribed in the contract



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Section 8: Public Participation

*To be completed after public comment period

Public Comment Sessions

July 9th and July 23rd – LSP Input Session

July 20th – Stakeholder Input Sessions

July 29th – State Plan Public Meeting



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Section 9: Fair Hearings

Appeals

- LIHWAP will have an appeals process at the local and state levels to appeal
 - denial of service
 - untimely response
 - unsatisfactory performance
- Appeal process is noted on the intake form and CSD's website



Section 10: Training

CSD will work with LSPs and Water and Wastewater Service Providers to ensure understanding of LIHWAP program guidelines by:

→ Hosting series of training webinars and offer ongoing technical support



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Section 11: Performance Management

- The amount and type of water assistance provided for households eligible for assistance;
- The type of water assistance used by various income groups;
- The number and income levels of households assisted by this award;
- The number of households that received such assistance and include one or more individuals representing vulnerable population groups;
- The impact of LIHWAP assistance on the household's ability to restore water services or prevent shutoff or service disruption; and
- Administrative information regarding local providers, agreements with water utility companies/providers, recommendations, accomplishments, unmet needs, and lessons learned.



Section 12: Program Integrity

CSD ensures program integrity via:

- Requests identification of applicants
- Verification of water and wastewater bill
- Privacy and confidentiality protection provisions
- Fraud reporting options



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Questions/ Comments?

CONTACT

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<https://csd.ca.gov/Pages/LIHWAP.aspx>

Comments due by 5pm, July 29, 2021



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