AGENDA

• LIHWAP Federal Guidance
• State Plan Overview
• Questions/Comments
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.
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
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

California Department of Community Services & Development

CA $116 Million
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 N-08-21)
  o CPUC regulated utilities extended suspension of disconnection past Sept 30\textsuperscript{th}, 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**

- **RELIEF TO LOW-INCOME HOUSEHOLDS**

- **ARREARAGE RESPONSE PROGRAM**

- 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

<table>
<thead>
<tr>
<th></th>
<th>Consolidated Appropriations Act of 2021 Percentage (%)</th>
<th>American Rescue Plan Grant Percentage %</th>
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</thead>
<tbody>
<tr>
<td>Household Benefits</td>
<td>72%</td>
<td>72%</td>
</tr>
<tr>
<td>Outreach/Eligibility Determination</td>
<td>13%</td>
<td>13%</td>
</tr>
<tr>
<td>Administration – State</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>Administration – Subrecipients</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>
Section 2: Benefits

Eligibility

Low-Income

Past Due Balance

Directly Responsible for Payments

Services from Community Water System + Wastewater Treatment Provider

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

CSD

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

Local Services Providers (LSP)

Will conduct outreach similar to LIHEAP
  - Mailers, phone campaigns, coordination with other low-income programs, etc.
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
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
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
Section 9: Fair Hearings

Appeals

• LIHWAP will have an appeals process at the local and state levels to appeal
  o denial of service
  o untimely response
  o 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
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
Questions/ Comments?

CONTACT

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

Comments due by 5pm, July 29, 2021