

PROGRAM NAME:

Low-Income Household Water Assistance Program (LIHWAP)

PURPOSE:

To provide assistance to low-income households in Iowa by paying arrearages to water/wastewater utilities in order to reconnect and/or ensure service continuity.

Grant Priorities per OCS – Office of Community Services: A Dept. of the Office of Health & Human Services (HHS)

1. Reconnection
2. Service Continuity
3. Rate Reduction (similar to Regular Assistance but won't be used unless all crisis needs are met)

FUNDING SOURCE/PROGRAM OVERSIGHT:

Award Date – 05/28/21: Awards from 2 sources:

Consolidated Appropriation Act (LIHWAP-21CAA) - \$5,670,096.00

American Rescue Plan Act (LIHWAP-21ARPA) - \$4,443,649.00

Total - \$10,113,745.00

ELIGIBILITY:

Eligibility Criteria:

- Household income at or below 200% FPG (*FIP and General Assistance are excluded from income*)
- Water burden must be demonstrated & criteria for 'Water Crisis' must be met
- At least one household member must have legal status to receive federal benefits
- Household is LIHEAP-eligible (*not required in order to receive LIHWAP*)

WATER CRISIS:

To meet the standard of a water crisis the applicant must be:

- 1 – Already Disconnected from Service
- 2 – Has Received a Disconnection Notice*
- 3 – Is Currently on a Payment Plan with Vendor and Cannot Make Next Payment (which would result in a disconnection)

* - A delinquent notice stating a specific timeframe for disconnection can be considered the same as a disconnection notice. For a vendor who does not issue disconnect notices, a copy or screenshot of that vendor's terms of disconnection can be considered the same as a disconnection notice.

APPLICATION:

As an ECIP component, a customer who has completed a LIHEAP application does not need to do another application when requesting LIHWAP; the agency's process for addressing crisis application is sufficient. However, at a minimum, a case note should be made in the system if there is not a LIHEAP application as to the date LIHWAP was requested, the nature of the crisis, the name of the vendor, and the amount approved. Income verification does not need to be done more than once per program year.

BENEFIT PAYMENT:

Maximum of \$2,500 per service (reconnection and service continuity) with waivers available.

The appropriateness of requesting a waiver is at agency discretion.

Max benefit amounts reset with each program year, October 1st.

Benefits can only be paid to water utility vendors. Direct pay to households/landlords is not allowed.

Agencies should use the same vendor acknowledgment of payment currently used for LIHEAP Regular Assistance when sending LIHWAP payments to vendors, which will satisfy the requirement of a vendor receipt.

CAN PAY:

- Arrearages and reconnection charges for drinking and wastewater services
- Fees and taxes for water and water-related services
- Charges billed, but not specifically tied to a non-water service (*ex: overall late fee*)

CANNOT PAY:

- Repairs and replacements of home water systems and equipment
- Utility deposits for *new service (deposits for reconnection are allowable)*
- Purchase/improvements of customer's lands or buildings
- Non-water services (*energy, garbage, recycling, landfill, etc.*)

If agencies are unsure whether a specific charge is allowable, contact state staff for guidance.

FAQ Starts on Next Page

FAQ

- **What if the landlord initially agrees to lower rent but doesn't follow through?**
 - We don't have a method of enforcement. However, the landlord verification form states the landlord will follow through and both the landlord and the tenant sign it. This verifies that both parties are aware of the requirement and are agreeing to abide by it. While we cannot provide any legal recourse directly, the tenant would have a signed agreement to support them should they seek legal aid.
- **Can we help someone whose utility account is not in their name?**
 - Yes, but please make sure there are good case notes to explain why the account is not in the name of the LIHWAP applicant.
- **Can we pay off the entire payment agreement if it's for water only?**
 - Yes, including whatever current charges are due. We want to pay as many accounts to a zero balance as possible.
- **Can we pay deposit fees?**
 - Only for reconnection; not new service. However, if a landlord is requiring that the renter has the account in their name, we will pay the deposit fee in this case because the landlord has essentially issued a disconnection notice as the account holder, thereby creating a crisis situation.
- **We have a vendor that does not want to participate in LIHWAP. If they later change their mind, can we allow them to participate?**
 - Yes, absolutely. There is no deadline by which vendors must sign the vendor agreement. Once a vendor agrees to participate, any households that had applied for benefits, but were not assisted due to the vendor not participating, should be moved forward.
- **On the notice we send to the vendor, will it separate drinking water from wastewater?**
 - It is our understanding that it will look similar to the regular assistance notification that is sent to vendors and don't think it will break out the amount to be applied to drinking water versus wastewater, which is ok. The notification should list the accounts to be paid and the total amount to be applied to each.
- **If the parents are not legally in the U.S. but the children are, is the household eligible for LIHWAP?**
 - Yes. As long as one member is a U.S. citizen or is lawfully in the U.S., the household is eligible to apply. When determining income amounts, if not already done for LIHEAP, all household income counts, but only those members with legal status can count toward household size.

- **When a meter freezes because it was cold outside, it may leak water. They will charge a "frozen meter" fee to replace the meter. Can LIHWAP pay this fee?**
 - No. LIHWAP cannot pay for repair or replacement of a household's water system or equipment.

- **When does the 30 days start? Is it when the agency notifies the vendor of the promise to pay or when the vendor receives the check from the agency?**
 - 30 days starts once the vendor is notified of the promise to pay. This is to allow time for the payment to arrive and, if necessary, for the household to work with the vendor to establish a payment plan for any amounts LIHWAP cannot cover.

- **The City of Laurel charges a "sewer improvement" fee which is a reserve for future debt repayment for lagoon improvement, set by ordinance for all bills. It is currently being utilized for repayment of preliminary expenses. Can LIHWAP pay this fee?**
 - Yes. Because this is applied to all bills and not just LIHWAP applicant bills, we can pay it. Further, it is not a charge specific to the household, meaning the customer has no direct control of nor responsibility for such upkeep, so paying it does not violate the conditions of the grant.

- **A customer is a renter, has a very large arrearage, and is unable to open a water account in her name. A friend opened her current account. The bill is current and not at risk of disconnection. Is there anything that we can do?**
 - If the customer has access to water and it's not required that the account is in her name, then it's not a crisis. If the friend won't allow her to keep the account in her name anymore, then we would consider it a crisis similar to the scenario of a landlord requiring that a renter take over the account.

- **If a household has a large bill, a leak may be identified and the vendor may disconnect the water until the leak is fixed. Can we help with the bill? Can we help with a repair?**
 - LIHWAP can't pay for the repair since it is specific to the household, nor can we pay the bill if it won't result in reconnection of service. But, If the vendor says they will reconnect water once the repair is done, we can then pay off their arrearage.

- **Is there any instance where the vendor can refuse to accept the pledge?**
 - The pledge must be accepted if the vendor signs the agreement. Rejecting individual payments would be a discriminatory practice *unless* the arrearage has been settled before the vendor receives the LIHWAP payment and the payment is no longer necessary to ensure water access.

- **Do we still need to take a crisis application for a household if we know that their vendor is not participating in the program?**
 - Being a federally funded public program, agencies cannot prohibit anyone from applying just because their vendor is not currently participating. A non-participating vendor is a factor outside the applicant's control which has not been identified as a specific eligibility criterion for LIHWAP. A household may be eligible for LIHWAP but not receive a benefit award. The vendor has the right to begin participating at any point in the grant's life-cycle, so applicants who have been identified as eligible can now be assisted. For this reason, agencies need to have a way of tracking those occurrences. All that said, it is perfectly fine for staff to let people know prior to applying if their vendor is or is not

participating so that the applicant can make an informed decision as to whether to apply now, or at a later date if the vendor ends up participating.

- More guidance will be coming regarding those who decide to go ahead and apply when their vendor is not participating and how that is best represented in the Nifcap/THO software systems.
- **Can we pay all of the tax on a bill? Can we pay late charges on a bill?**
 - If you can identify the amount that applies to the water, pay that amount. If it's all lumped together and it's clear that some of it applies to water, you may pay all of it even though some of it will be for other services. If it is specifically tied to a non-water service, it cannot be covered by LIHWAP.
- **Will the state provide materials that better outlines the program for our vendors?**
 - There is a presentation that may be shared with your vendors. It has been included in the same email as this resource guide.
- **Can we require that the customer make a nominal payment in order to receive LIHWAP assistance?**
 - No extra burden such as a co-pay or education class can be placed on applicants, per the *FY22 LIHEAP Policy & Procedure Manual*.
- **Slide 30 indicates children under 5 but it's under 6 for LIHEAP. Is "under 5" correct?**
 - Upon review, the actual language in the grant is "children 5 and under", which is just a different way of saying under 6. We don't know why there is inconsistency between the LIHEAP and LIHWAP language.
- **If someone applies now for LIHEAP and comes in three months later for LIHWAP, do we need to re-verify income?**
 - No – the first income verification is good until the next program year begins (October 1st).
- **How do we differentiate between a LIHEAP app and a LIHWAP app?**
 - It's treated the same as an energy crisis app. Note the component you assisted with (continuity or reconnect), whether it was for drinking water or wastewater, and the amount provided.
- **If we reimburse another program that paid for water, how far back can we reimburse them?**
 - If the other program made a benefit payment for water May 28th or later, you may reimburse it *provided the same criteria required for a LIHWAP payment was met*.