April 10, 2023

RE: Action is Needed Now to Continue to Help Our Most Vulnerable Citizens - NARUC urges each of you to support funding for a permanent Low-Income Household Water Assistance Program

Majority Leader Schumer, Minority Leader McConnell, Speaker McCarthy, Democratic Leader Jeffries, Senate Appropriations Chair Murray and Ranking Member Collins, House Appropriations Chair Granger, and Ranking Member DeLauro:

In the United States, every person should have access to affordable water services.

The Low Income Household Water Assistance Program (LIHWAP) created by Congress to help low-income customers struggling to pay their bills during the pandemic will expire later this year as funds run out.

That’s a serious problem.
As the first federal program to exclusively assist low-income families with their water and wastewater bills, LIHWAP has assisted over 430,000 households since it was created. Access to clean and safe drinking water is essential for every person’s daily living, sanitation, and ability to function in the economy. The lack of running water makes a dwelling uninhabitable.

If the LIHWAP program is allowed to lapse, there is no question that many will suffer. Whatever one’s view of the program, now – while high inflation and rising interest rates persist - is not the time to let the program lapse.

The National Association of Regulatory Utility Commissioners (NARUC) is a bipartisan organization representing public service commissioners from every U.S. state, the District of Columbia, and U.S. Territory responsible for assuring reliable power and water utility services to your constituents. NARUC has advocated for a federal low-income water program for many years. Because of its focus on sanitation, the pandemic highlighted a need that has always been present.

In November 2022, NARUC passed a Resolution Calling for Permanent Annual Federal Funding for a Low-Income Household Water Assistance Program. A copy of that resolution is attached.

LIHWAP has proven itself to be a successful program in getting assistance to those who need it the most.

NARUC urges each member of Congress to support continued funding for LIHWAP in FY24 appropriations requests to ensure continued critical federal water assistance to the most vulnerable to help them to pay for water service.

We look forward to working with Congress to permanently fund the LIHWAP program.

If you have any questions about this letter, please do not hesitate to contact either the undersigned or Brad Ramsay, NARUC’s General Counsel, at 202.898.2207 or jramsay@naruc.org.

Respectfully Submitted,

Michael Caron
NARUC President
Commissioner
Connecticut Public Utilities Regulatory Authority

Jeff Hughes
Chair, NARUC Committee on Water
Commissioner
North Carolina Utilities Commission

cc: Members, Senate Committee on Appropriations
Members, House Committee on Appropriations
Resolution Calling for Permanent Annual Federal Funding for a Low-Income Household Water Assistance Program

Whereas the Consolidated Appropriations Act of 2021, which became law on December 27, 2020, provided $638 million to the U.S. Department of Health and Human Services (“HHS”), Office of Community Services (“OCS”) and Administration for Children and Families (“ACS”) for grants to carry out a Low-Income Household Water Assistance Program (“LIHWAP”) in response to the coronavirus pandemic;

Whereas on March 11, 2021, the American Rescue Plan Act appropriated an additional $500 million in emergency spending for LIHWAP bringing the total funding for the program to $1.138 billion;

Whereas LIHWAP is an emergency program to assist low-income households with their water and wastewater bills. The priority for LIHWAP is to ensure that households whose services have been disconnected due to non-payment, or are about to be disconnected, are able to have their services restored as quickly as possible;

Whereas these grants issued through LIHWAP provide funds to owners or operators of public water systems or treatment works to reduce arrearages and rates of low-income households. For the purposes of LIHWAP, “owners and operators of public water systems” are utilities that provide water for human consumption through pipes or other constructed conveyances, and include the water utilities regulated by the state public utility commissions that comprise the National Association of Regulatory Utility Commissioners (“NARUC”);

Whereas parties eligible to apply for LIHWAP grants are the states, the District of Columbia, the Commonwealth of Puerto Rico, U.S. territories, federally and state-recognized Indian tribes, and tribal organizations that received similar utility assistance grants in fiscal year 2021;

Whereas establishing a new federal assistance program was a complex process at the federal, state, territory, tribal and local level. It required an extensive amount of effort by OCS, states and utilities to get the program up and running, ensure customers were aware of the program, and to distribute funds to those eligible;

Whereas data from the LIHWAP 3rd Quarter Report indicates that during the first three quarters of Fiscal Year 2022 (October 2, 2021 – June 30, 2022) 46 states and over 70 tribes have submitted LIHWAP applications; over 304,000 households received LIHWAP assistance and over 99,000 households had services restored or disconnection prevented through LIHWAP benefits assistance;

Whereas LIHWAP is a temporary emergency program that runs from January 4, 2022, until September 30, 2023, or when the program expends all of its funds;

Whereas the lack of permanent funding for a federal low-income water assistance program is troubling. Safe and reliable drinking water is essential for daily living, sanitation and a well-functioning economy;

Whereas the U.S. economy continues to falter with inflation and rising interest rates, which means the need to help customers pay their water bills continues to exist;
Whereas lack of running water makes a dwelling uninhabitable; and
Whereas should the LIHWAP program expire without establishing a permanent fund, water customers who have relied on LIHWAP to help pay their bills will suffer without this assistance; now, therefore be it

Resolved that the Board of Directors of the National Association of Regulatory Utility Commissioners, convened at its 2022 Annual Meeting and Education Conference in New Orleans, Louisiana, urges Congress to provide permanent annual funding for a federal Low-Income Household Water Assistance Program.

Sponsored by the Committee on Water
Adopted by the NARUC Board of Directors on November 15, 2022