

**Low-Income Household Water Assistance Program (LIHWAP)**  
**Draft Implementation Plan**  
**Comments and Questions**  
**August 5, 2021**

1. *Can you provide details on how to register as a vendor to receive payments and any obligations that come along with that?*

Response: The Alabama Department of Economic and Community Affairs (ADECA) is currently developing a vendor agreement. If you are interested in participating in the program and would like to receive an agreement, please complete the “*Water and Wastewater Service Provider Questionnaire*” on the LIHWAP webpage and email it to [jennifer.lee@adeca.alabama.gov](mailto:jennifer.lee@adeca.alabama.gov).

More information regarding the requirements of the vendors will be provided in the upcoming weeks via email, hard copy, or posted to the LIHWAP webpage.

To assist states in answering preliminary questions, the U.S. Department of Health and Human Services’ Office of Community Services (HHS-OCS) will be hosting an informational webinar specifically for water and wastewater service providers on **August 12 from 2:00 to 3:00 (central)**. The link to pre-register for the webinar is:

[https://acf-hhs-gov.zoomgov.com/webinar/register/WN\\_vEKHHei4TPeP74NkS9Aclw](https://acf-hhs-gov.zoomgov.com/webinar/register/WN_vEKHHei4TPeP74NkS9Aclw)

2. *There needs to be a provision for releases from customers to the utility to disclose account information (such as account balances) to third parties such as ADECA or administering agencies, as appropriate. Current regulations restrict many utilities from discussing any account information with others without a release.*

Response: Thank you for your comment, we will take this recommendation into consideration.

3. *Regarding Section 12.5 - Income verification, the draft LIHWAP plan indicates that bank statements are acceptable as documentation to verify income; however, bank statements are not accepted for the Low-Income Home Energy Assistance Program (LIHEAP). Should this be removed in the final version of the LIHWAP Plan?*

Response: One of the exceptions ADECA made during the pandemic was to allow bank statements to verify child support and Temporary Assistance for Needy Families (TANF) if the household could not obtain documentation from the Department of Human Resources. In the 2021 LIHEAP workshop, our office indicated that this was a permanent change. Deductions are not taken from child support or TANF payments; therefore, bank statements would reflect the gross amount which is required to verify household income. ADECA will include this language in the 2022 LIHEAP Manual and revise the draft LIHWAP Implementation Plan to clarify this point.

4. *Can a local administering agency pay a water and/or wastewater bill that is included in with the household’s electric bill? Or a water bill that is included in the household’s gas bill?*

Response: Yes, the local administering agency can assist eligible households with a water or wastewater service bill that is combined with another utility.

5. *Some vendors provide water, wastewater, and electricity to households. In the majority of situations, a regular LIHEAP award is sufficient to cover the entire amount of the monthly bill. Was there discussion*

*about any circumstances involving these “combined” bills and if there are any exceptions where both LIHEAP and LIHWAP funds could be used for a combined bill?*

Response: Program policies are currently under development. ADECA will consult with the Advisory Committee on this issue.

6. *To what extent can LIHWAP funds be used to establish water service for eligible households? The cost to establish service is \$100.00 if a water meter exists on the property; however, if a water meter needs to be installed to connect to existing water lines, then the cost is \$850.00.*

Response: Based on legislation, LIHWAP payments must be made to the owners and operators of water treatment works for a household’s current water and/or wastewater service bill or the household’s arrearages including payment of standard reconnection fees, charges, and penalties.

Funds cannot be used for plumbing repairs or infrastructure such as the installation of water meters, lines, or wells. The local administering agencies may have other program funding available to help cover those particular needs or may refer the household to an outside entity such as a local non-profit or faith-based organization.

7. *Can LIHWAP funds be used to repair water leaks?*

Response: No, funds cannot be used to repair water leaks. LIHWAP funds can be used for a household’s current water and wastewater service bill or the household’s arrearages including payment of standard reconnection fees, charges, and penalties.

8. *TANF is counted as household income under LIHEAP, but according to the draft plan, TANF should not be counted as income for LIHWAP. How will ADECA handle this to avoid confusion at the local level when agencies process LIHEAP and LIHWAP applications?*

Response: All local administering agencies for LIHEAP and LIHWAP will use the same state-wide client intake system for case management, income determination, and benefit determination. Caseworkers will enter all household income and system parameters will be established to exclude TANF as income when determining household eligibility and the LIHWAP benefit amount.

9. *Can LIHWAP funds be used to cover connection, reconnection fees, and security deposits?*

Response: LIHWAP funds can be used for all standard charges and fees included in the household water or wastewater service bill such as standard reconnection fees, charges, and penalties. It is important to note that these fees should be the standard fees consistent with the vendor’s existing and ongoing business practices rather than a special fee charged to LIHWAP households.

10. *How will ADECA assist tenants whose landlord is in arrears?*

Response: Based on legislation, LIHWAP payments must be made to the owners and operators of water treatment works. Payments are not allowed to be made directly to households or landlords. ADECA is currently reviewing HHS-OCS guidance and will consult with the Advisory Committee to develop a policy for cases where a tenant’s utilities are included in their rent or when there is a single meter serving multiple households such as an apartment complex or mobile home community.

11. *Regarding Section 1.2, we agree with the recommended operational priorities and the formation of a LIHWAP Advisory Committee. We recommend that in addition to the agencies listed that you add non-profit or faith-based organizations to the Advisory Committee.*

Response: Thank you for your comment, ADECA will take this recommendation into consideration.

12. *Regarding Section 1.5, referencing the programs that are categorically-eligible for LIHWAP assistance, it is strongly recommended ADECA use the option of categorical eligibility in this program to streamline the process and get the funding to those who need it as timely as possible.*

Response: Thank you for your comment, ADECA will take this recommendation into consideration.

13. *Regarding Section 3.1, it is strongly recommended that ADECA develop multi-lingual announcements and/or directly engage with nonprofit organizations who work with multi-lingual communities to ensure this sector of our community is aware of this program. It is also recommended to seek advice from faith-based and other nonprofits in how best to outreach on this program.*

Response: Thank you for your comment, ADECA will take this recommendation into consideration.

14. *Regarding Section 4.1, we believe that a joint application for multiple programs should be developed to ease the burden on already burdened people and reduce administrative paperwork in order to ensure timely dissemination of these important assistance funds.*

Response: It is already the practice of the local administering agencies to identify the needs of the household and recommend multiple programs through a single intake process.

15. *Regarding Section 5.5, what types of local administering agencies do you use? It is recommended that a listing of the community action agencies and nonprofits administering the funds should be listed on your website if that is not already a part of the plan.*

Response: ADECA contracts with community action agencies and one non-profit to administer LIHEAP and will use the same local administering agencies for LIHWAP. A map of the agencies, along with contact information, is available on the LIHEAP webpage and will soon be made available on the LIHWAP webpage.

16. *Regarding Section 6.2, how do you notify the household of the amount of assistance paid and the timing of the assistance payment?*

Response: LIHWAP notification procedures will mirror existing LIHEAP procedures regarding notification of approval and amount of assistance. If households are approved at the time of their appointment, they are provided a hard copy of the completed application that denotes the award amount. If the household mailed an application or submitted it electronically to the local administering agency, a copy of the completed application is mailed to their home or sent electronically via email.

17. *Regarding Section 8.1, how did you obtain input from the public in the development of the draft LIHWAP plan?*

Response: The Consolidated Appropriations Act of 2021 states “as appropriate and to the extent practicable, use existing processes, procedures, policies, and systems in place to provide assistance to low-income households.” HHS-OCS closely modeled the terms and conditions for the LIHWAP requirements on the LIHEAP program.

ADECA consulted with the Alabama Office of Water Resources, the Alabama Rural Water Association, numerous water and wastewater service providers throughout the state, and an Advisory Committee of community action agency representatives.

18. *Regarding Section 12.3, it is not clear from this statement if ADECA is considering the LIHWAP program as occurring under a federal or state emergency declaration.*

Response: ADECA updated the FY 2020 LIHEAP State Plan to include language in response to COVID-19. Per HHS-OCS guidance, the LIHEAP State Plan should include language for exceptions or changes to standard protocol in the event of declared natural disaster or emergency. While LIHWAP appropriations were allocated in response to the pandemic, we are not currently under a COVID-19 related Federally- or State-declared emergency at this time.

19. *What is the length of time involved from a participating utility being qualified and approved, customer application verified and accepted, until the utility is ready to invoice for payment and the payment is received?*

Response: In general, LIHWAP will mirror the same process currently used for LIHEAP. Once ADECA's standard vendor agreement is developed, a copy will be sent to all interested water and wastewater service providers. ADECA will add the vendor to the approved vendor list once the executed agreement has been received.

The local administering agency will be responsible for collecting the required documentation from a household to process the application. If the household is in disconnect status or has a disconnect notice, the agency will contact the vendor via phone or email to verify the amount necessary to restore service or prevent the disconnection.

The local administering agency will award LIHWAP funds in an amount sufficient to restore service or prevent the disconnection, but not to exceed the benefit ceiling. If the household is seeking assistance with their current bill, the local administering agency will award the amount the household is eligible for (benefit matrix is under development).

The local administering agency will send payment to the vendor within thirty (30) days from the date of the award. The vendor is not required to submit an invoice to the local administering agency.

20. *Will LIHWAP have a policy requiring the account to be in the head of household's name or in their spouse's name? If so, many customers will be required to sign a new Water User Agreement which may prolong the application process.*

Response: Yes, similar to LIHEAP, the water and/or wastewater service account must be in the head of household's name or their spouse's name. Certain exceptions may be allowed such as assisting a low-income household whose account is in the landlord's name. ADECA will consult with the Advisory Committee to develop policies regarding the allowable exceptions. In addition, ADECA will consult with the Alabama Rural Water Association and vendors to gain a better understanding of requirements such as the Water User Agreement.

21. *Marketing material for the LIHWAP could possibly be posted in the utility offices to assist with outreach to their customers. Most water bills have space for messages to alert the customer to new opportunities, programs of this type, or changes in operations.*

Response: Thank you for your comment, ADECA will take this recommendation into consideration.