



ADMINISTRATION FOR
CHILDREN & FAMILIES

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Low Income Household Water Assistance Program Information Memorandum

IM#: LIHWAP-IM-2021-05

DATE: September 30, 2021

TO: Low Income Household Water Assistance Program Grantees

SUBJECT: Frequently Asked Questions and Answers about Low Income Household Water Assistance Program Renter Households

ATTACHMENT(S): N/A

The purpose of this Information Memorandum is to provide Low-Income Household Water Assistance Program (LIHWAP) grantees answers to a few frequently asked questions about supporting households who rent and other households who are not billed directly by water vendors for water and wastewater services.

OCS plans to provide at least one webinar on the on how to support renters during the first quarter of Federal Fiscal Year 2022. This webinar will include issues such as landlord verification procedures and may include examples of grantee forms and procedures. This will include discussion of grantee solutions to the challenge of serving individuals who live in a unit in which water bills are included in the rent and households who own or rent mobile homes and pay for a lot or space that includes water fees to a landlord.

OCS recognizes that the process for determining eligibility and approving benefits for these rental households may be more labor-intensive and take longer compared to the process for other applicants. However, developing a process early on for renters will allow grantees to treat owners and renters equitably under the program assistance provided with the LIHWAP grant resources as set forth by Term 11k in the [Supplemental Terms and Conditions](#).

Frequently Asked Questions About Renters

Question: Are we expected to address the water needs of renters whose water is included in rent, and, if so, how can we send a payment to the landlord's utility provider?

Answer: Yes, as stated in the Terms and Conditions, grantees must establish procedures to treat owners and renters equitably. There are many different scenarios and processes that can be implemented to serve households who rent their units, including households whose water is included in their rental payment. In many cases, this may require the local benefit administering agency to work with landlords and/or the landlord's water utility vendor. Grantees may use outreach and intake/eligibility determination funds to create and implement procedures for working with landlords to make the process as easy and efficient as possible within the program constraints.

Below are a few examples of situations you may encounter when providing benefits to renters. The expense of this work can be covered by the Outreach and Intake/Eligibility Determination costs allowed with the LIHWAP grant funds.

Example Renter Scenarios:

1) **Households who rent and are the account holder with their water utility vendor:**

These households can be treated the same as homeowner applicants.

2) **Households who rent (including mobile homeowners or renters who lease the space/land) and whose water bill is included in their rental fee:**

a) ***Single water meters.*** To serve households with single water meters, the administering agency will need to obtain/confirm certain information from the landlord, including:

- The name of the water vendor;
- The account number; and
- The cost of water charged in the rental fee.

With this information, the benefit administering agency can make a payment directly to the water vendor. In these cases, once the water vendor receives a payment, the agency must confirm that the benefit is being passed to the household in the form of a rent reduction.

b) ***Shared water meters.*** To serve households with single water meters, the administering agency will need to obtain/confirm certain information from the landlord, including:

- The name of the water vendor;
- The account number; and
- An agreed upon average household amount for monthly water usage.

The agreed upon average monthly water usage can be based on the current bill of the shared water meter divided by the amount of household members, or the average monthly cost per person in the service area as determined by the water vendor. With this information, the benefit administering agency can make a payment directly to the water vendor. In these cases, once the water vendor receives a payment, the agency must confirm that the benefit is being passed to the household in the form of a rent reduction.

Question: Are LIHWAP grantees or local administering agencies required to have agreements with landlords?

Answer: Benefit administering agencies are not required to establish agreements with landlords. However, to provide a LIHWAP benefit for rental households, the benefit administering agency has to collect and/or confirm information from the landlord in order to provide a benefit and ensure consumer protection for applicants. The required information can be gathered and documented using a variety of methods, including, but not limited to, agreements with landlords or through a landlord verification form.

Question: If an applicant is behind on their rent, which includes their water bill, can we make a direct payment to the renter?

Answer: No. Based on legislative instructions, LIHWAP payments must only be for arrearages and rate reductions related to water services, not for general rental payments. In addition, payments cannot be directly made to households. The LIHWAP appropriation instructions specify that payments may be made “to reduce arrearages of and rates charged” to low-income households that pay a high proportion of household income for water services “by providing funds to owners or operators of public water systems or treatment works.”

While LIHWAP funds may not be used for payments for general rental costs (even when an applicant’s water bill is included in their rent), grantees are encouraged to work with rental property owners to identify the actual water utility costs—which can be paid directly to the water utility using LIHWAP funds—and to deduct the amount of the water payment from a current or future rental bill.

The Office of Community Services (OCS) also encourages grantees to consider other available resources such as the [Community Services Block Grant \(CSBG\)](#) and the [Emergency Rental Assistance](#) to help address household needs not addressed through LIHWAP. The unique and widespread impacts of not having access to water and wastewater services, particularly during the pandemic, necessitates a comprehensive approach to addressing water needs for vulnerable households. As such, when possible, we encourage prospective LIHWAP grantees to design creative solutions that leverage multiple funding sources to meet the comprehensive needs of low-income households. In the coming weeks, OCS plans to issue additional guidance on coordination of LIHWAP assistance with CSBG and with other supplemental resources related COVID-19 recovery. In addition, OCS plans to issue a “frequently-asked questions” guidance document. All guidance materials, when published, will be available on the [LIHWAP Policy and Guidance](#) webpage.

Contact Information

If you are a LIHWAP grantee and you have additional questions, please reach out to the LIHWAP program contact for your region. You can find their information at [LIHWAP Contact Information](#) on the LIHWAP webpage.

For general questions, please reach out to LIHWAP@acf.hhs.gov.

Thank you for your attention to these matters. OCS looks forward to continuing to provide high-quality services to OCS grantees.

/s/

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