

Low-Income Household Water Assistance Program (LIHWAP)

Model State Plan Definitions of Key Terms

Administrative Costs: Expenses by the grantee and its sub-recipient service providers for a portion of general administration and general expenses, such as the salaries and expenses of executive officers, personnel administration, accounting, grants management, and reporting. As specified in the LIHWAP Terms and Conditions, administrative costs may not exceed 15 percent of the total award.

Arrearage: For the purposes of LIHWAP, arrearage refers to an unpaid past due bill for household drinking water and/or wastewater utility services. LIHWAP grant resources can be used to pay for arrearages incurred at any point in time by households that meet LIHWAP eligibility criteria and may include reconnection charges, fees, and penalties.

Categorical Eligibility: In the LIHWAP Model Plan, categorical eligibility refers to a determination that a household is eligible for LIHWAP assistance based on enrollment in another means-tested program including the Temporary Assistance for Needy Families (TANF), the Supplemental Nutrition Assistance Program (SNAP), Supplemental Security Income (SSI), the Low-Income Home Energy Assistance Program (LIHEAP), or Means-tested Veterans Programs. If a household is determined by the grantee to be categorically eligible, that means that the grantee or subgrantee's intake staff do not need to repeat the income test for purposes of the household qualifying for LIHWAP assistance. The intake staff would move forward to the benefit determination calculation by looking at the total household income as reported on the LIHWAP application.

Community Action Agencies: Local private and public non-profit organizations that are designated by the State as eligible entities to carry out the Community Services Block Grant (CSBG). In some States, Community Action Agencies also administer LIHEAP as well as other programs and activities for emergency utility assistance, rental assistance, food assistance and other services and strategies to assist low-income households and communities.

Drinking Water: For the purposes of LIHWAP, drinking water is any water used for domestic purposes, drinking, cooking, and personal hygiene.

Electronic Funds Transfer (EFT): This item in Section 2 of the Model LIHWAP Plan refers to the transfer of funds electronically rather than by tangible check or cash. This may include wire transfer and automated clearinghouse services.

Gross Income: The total household income for all household members before taxes and other deductions.

Household: For purposes of LIHWAP eligibility and benefit determinations, the term “household” means any individual or group of individuals who are living together as one economic unit for whom residential drinking water and/or wastewater services is customarily purchased in common or who make undesignated payments for those services in the form of rent.

Household Benefit: This term refers to payments approved by the grantee or subgrantee for applicant households and made on behalf of approved households to public water systems and wastewater utility companies to address arrearages and/or make a full or partial payment of a currently due water bill.

Household Drinking Water Burden: The proportion (amount) of total household income spent on drinking water utility bills during a specific timeframe set by the grantee in its written policies (e.g., monthly, quarterly, or annually). This burden may be calculated based on gross income or net income depending upon the policies, procedures, and requirements of the State, Territory, or Tribe. It is also calculated based on the amount billed to the household for such services.

Household Wastewater Burden: The proportion (amount) of total household income spent on wastewater bills during a specific timeframe set by the grantee in its written policies (e.g., monthly, quarterly, or annually). This burden may be calculated based on gross income or net income depending upon the policies, procedures, and requirements of the State, Territory, or Tribe. It is also calculated based on the amount billed to the household for such services.

Income Eligibility: For the purposes of LIHWAP, income eligibility means that a household has qualified for water utility (LIHWAP) assistance based on an intake worker’s review of the total household income of all household members and any other eligibility criteria required by the State/Tribe/Territory, plus a determination that the total household income is below the eligibility threshold established by the State, Territory, or Tribe (e.g., at or below 150 percent of the Federal Poverty Line, at or below 60 percent of the State Median Income, or another lower poverty threshold established by the State, Territory, or Tribe). For this LIHWAP Model Plan, questions related to income eligibility requirements are distinct from questions related to categorical eligibility based on a previous qualification for another allowable, means tested program.

Lifeline Rates: Lifeline rates are targeted subsidized rates for low-income households that may allow a lower subsidized rate for an initial amount of water which is enough to cover basic household needs. These rates are established by the water or wastewater provider or the regulatory body overseeing that provider.

Low Income Home Energy Assistance Program (LIHEAP): LIHEAP is a block grant program administered by OCS of the Administration for Children and Families (ACF) within the U.S. Department of Health and Human Services (HHS). The program's purpose is to assist low-income households that spend a high proportion of household income to meet their immediate home energy needs. LIHEAP provides federally funded assistance in managing costs associated with home energy bills, energy crises, weatherization, and energy-related minor home repairs. Additional information is available on the following website: <https://www.acf.hhs.gov/ocs/low-income-home-energy-assistance-program-liheap>

Material Weakness: In audit terms, a material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

Means-tested Benefit: A benefit that requires examination of all countable income of all household members, and potentially other eligibility criteria such as household assets, in order to determine eligibility.

Means-tested Veterans Programs: Need-based assistance for military veterans administered by the U.S. Department of Veterans Affairs. Examples may include pensions for wartime veterans, who are age 65 or older or have a permanent and total non-service connected disability, and who have limited income and net worth as well as needs-based programs for homeless veterans. Additional information on the U.S. Department of Veterans Affairs is available on the following website: <https://www.va.gov/>. Additional benefits information, including information on benefits for veterans with limited income, is available on the following website: <https://www.benefits.va.gov/benefits/factsheets.asp>

Net Income: The total household income for all household members after subtracting taxes and other deductions from gross income, as set in State/tribal/Territory written policy.

Outreach and Intake/Eligibility Cost: Grantee cost and subgrantee costs for staff time and expenses directly related to implementation of a LIHWAP outreach plan and for any intake service necessary to conduct eligibility and benefit determination activities to assure that households are eligible, to determine the specified benefit amount, and to notify households of an incomplete application status and advise as to the necessary documentation missing as outlined in State, territorial, or tribal policies and procedures.

Rate Reduction: For the purposes of LIHWAP, rate reduction refers to full or partial payment of a currently due bill charged to a household for drinking water or wastewater services and may include standard charges and fees included in the household water bill.

Reportable Condition: In audit terms, a reportable condition is a matter coming to the auditor's attention relating to Significant Deficiencies in the design or operation of the entity's internal control that could adversely affect an entity's ability to fulfill future obligations with customers and/or the satisfaction of liabilities.

Stormwater Fee: A fee charged to property owners for costs related to pollution in stormwater drainage. For LIHWAP purposes, States, territories and Tribes may establish policies to include stormwater fees in wastewater payments whether this cost is included in the general water bill or billed separately.

Sub-award: A funding agreement between the LIHWAP lead agency for a State, Territory, or Tribe and a sub-recipient organization (e.g., Community Action Agency or local government agency) in which the sub-recipient organizations receives a sub-grant of the federal LIHWAP grant award for purposes of conducting selected delegated activities. Such activities may include outreach and intake services that involve the eligibility and or benefit determinations, and making benefit payments to the water and wastewater providers on behalf of eligible households. Such agreements are subject to the terms and conditions of the federal LIHWAP grant award and any additional requirements established by the State, Territory, or Tribe.

Sub-recipient: An organization that receives a portion, or sub-award, of the LIHWAP grant funding (usually through a contract or grant) from the LIHWAP lead agency for a State, Territory, or Tribe. While the LIHWAP Lead Agency retains responsibility and accountability for all activities carried out under the grant award, the State, Territory or Tribe may select sub-recipient organizations to serve as local administering agencies who are subject to all terms and conditions of the award. The term "sub-recipient" is synonymous with "subgrantee" for purposes of LIHWAP.

Supplemental Security Income (SSI): SSI, which is administered by the Social Security Administration, is a federal income supplement program funded by general tax revenues (not Social Security taxes). It is designed to help aged, blind, and disabled people, who have little or no income; and it provides cash to meet basic needs for food, clothing, and shelter. Additional information is available on the following website:
<https://www.ssa.gov/ssi/>

Supplemental Nutrition Assistance Program (SNAP): SNAP, which is administered by the U.S. Department of Agriculture, provides nutrition benefits to supplement the food budget of needy families so they can purchase healthy food and move towards self-sufficiency. Additional information is available on the following website:
<https://www.fns.usda.gov/snap/supplemental-nutrition-assistance-program>

Temporary Assistance for Needy Families (TANF): TANF, which is administered by the Office of Family Assistance (OFA) in ACF/HHS provides States and territories with flexibility in operating programs designed to help low-income families with children achieve economic self-sufficiency. States use TANF to fund monthly cash assistance payments to low-income families with children, as well as a wide range of services. TANF is a block grant and services and procedures differ from State-to-State. Additional federal information is available on the following website:

<https://www.acf.hhs.gov/ofa/programs/temporary-assistance-needy-families-tanf>

Wastewater: Water that has been used in a household. This may include stormwater charges, as noted above. Note: For LIHWAP purposes, a wastewater payment may be made on behalf of an eligible household to the owners and operators of water treatment works.