

# FY 2022 Low Income Household Water Assistance Program (LIHWAP) Snapshot

Highlighting the Initial Impact of the First Federal Water Assistance Program



## Water Needs in the United States

Over 2 million people in the U.S. live without access to running water and basic plumbing, and millions more cannot afford their water bills.<sup>1</sup> While the water affordability crisis affects communities across the country, low-income communities are disproportionately impacted as water prices are often highest in high poverty areas with aging infrastructure. Households with the lowest incomes spend, on average, over 12% of their income on water and sewer services.<sup>2</sup>

## Implementing the First Federal Water Assistance Program

The Low Income Household Water Assistance Program (LIHWAP) helps meet unmet water needs across the country by providing funds to assist low-income households with their water and wastewater bills. LIHWAP is the first-ever federal water assistance program. It was created by the Consolidated Appropriations Act of 2021 (CAA) and expanded by the American Rescue Plan Act (ARP) of 2021. Together, these two appropriations provided LIHWAP with \$1.138 billion in emergency funding that must be expended by December 31, 2023.

The Office of Community Services (OCS) was charged with implementing LIHWAP and has awarded grants to 49 states<sup>3</sup>, the District of Columbia, five U.S. territories, and 97 tribes and tribal organizations. LIHWAP grant recipients are using this funding to:

1. reconnect households that have been disconnected from water and wastewater services,
2. prevent disconnection of water and wastewater services, and
3. provide rate reductions for households struggling to pay their water bills.

### LIHWAP Spending Progress

LIHWAP grant recipients have obligated over 70% of existing funding. Several grant recipients have exhausted all current funding.

## LIHWAP's Impact in the First Year of Implementation<sup>4</sup>



Served  
**~400k Households**



Prevented  
**269k Disconnections**



Reduced rates  
for **161k Water Bill**



Restored  
Services **38k Times**

### Partnering with Water Service Providers

Water and wastewater service providers have been essential to the success of LIHWAP. There are over 50,000 water service providers across the country. As of September 30th, 2022, over 13,000 water and wastewater service providers are participating in LIHWAP.

<sup>1</sup> Z. Roller, S. Gasteyer, N. Nelson, W. Lai, M. C. Shingne; Closing the water access gap in the United States. Dig Deep Right to Water Project, US Water Alliance. 2019.

<sup>2</sup> Teodoro, M, Rose Saywitz, R. A Snapshot of Water and Sewer Affordability in the United States, Journal AWWA. 2020.

<sup>3</sup> North Dakota declined LIHWAP funding

<sup>4</sup> A household may receive more than one benefit payment or service in a year.



## Expending LIHWAP Funding: Spotlight on Kentucky and the Yurok Tribe

Like many states, Kentucky has been severely impacted by the COVID-19 pandemic, as well as ongoing natural disasters, including severe flooding and tornadoes, that have exacerbated the need for water assistance. Kentucky's Cabinet for Health and Family Services received \$18,684,749 in LIHWAP funding and worked swiftly with its partner, Community Action Kentucky, to reach households in need. Kentucky rapidly served 38,901 households and exhausted all funding in seven months, becoming the first state to run out of LIHWAP funding. Kentucky's funding was used to restore 2,121 water connections, prevent 23,365 water disconnections, and provide rate reduction for 19,322 households.

The Yurok Tribe exhausted all of its LIHWAP funding in less than nine months. The Yurok Tribe is the largest tribe in California, with over 5,000 enrolled members. The tribe received \$25,784 in LIHWAP funding and was able to pay an average benefit of nearly \$450 per household served. After their initial LIHWAP funds were expended, the Yurok Tribe received a \$1,911 supplemental ARP award at the end of September 2022, through a LIHWAP reallocation process. They plan to provide septic tank pumping with this additional funding. Approximately one in four households in the U.S. rely on septic tanks for wastewater management, and this use is heavily concentrated in tribal and rural areas. OCS allows the use of LIHWAP funds for septic tank pumping to more equitably meet the wastewater needs of these areas.

## Next Steps

Recent analysis indicates that water rates climbed approximately 43% across the U.S. from 2012 to 2021, outpacing rates for other utilities.<sup>5</sup> Coupled with aging water infrastructure and water shortages due to drought, this makes water assistance for vulnerable households even more of a lifeline.

In 2023, the Office of Community Services will release a LIHWAP Annual Report. This report will include nationwide household demographic information, service counts, water burden, and LIHWAP performance measures. As grant recipients continue to ramp up services, OCS anticipates serving even more households in FY 2023.



### A STABILIZING FORCE Arkansas Spotlight

Using LIHWAP, Arkansas helped an applicant whose water service had been disconnected for 18 months. This individual lives in Jefferson County, where the poverty rate is twice the national average. With the LIHWAP benefit and a new job, the individual is now confident that they will be able to pay future bills.

*"You don't realize how important [water] is until you don't have it. And I could not imagine not having it, and not being able to get help to get it. And that's what LIHWAP did for me. It put me in a place that I was able to have [one of] the basic necessities of life: water."*

– North Carolina LIHWAP Beneficiary

<sup>5</sup> Bluefield Research; Up 43% Over Last Decade, Water Rates Rising Faster than Other Household Utility Bills. 2021.

For more information on LIHWAP's impact, please visit the [LIHWAP Data Dashboard](#).

