



ADMINISTRATION FOR  
**CHILDREN & FAMILIES**

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www.acf.hhs.gov/ocs

## Low Income Household Water Assistance Program Information Memorandum

**IM#:** LIHWAP-IM-2021-03  
**DATE:** July 23, 2021  
**TO:** Low Income Household Water Assistance Program Grantees  
**SUBJECT:** Frequently Asked Questions and Answers about Administering the Low Income Household Water Assistance Program  
**ATTACHMENT(S):** N/A

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The purpose of this Information Memorandum (IM) is to answer critical questions for grantees administering the Low-Income Household Water Assistance Program (LIHWAP). The Office of Community Services (OCS) will publish additional answers to critical or frequently-asked questions throughout the administration of the new LIHWAP effort.

### LEGISLATIVE INSTRUCTIONS

- 1. Question: What are the legislative instructions behind the Low Income Household Water Assistance Program and where can I read them directly?**

**Answer:** The Consolidated Appropriations Act, 2021 (Public Law No.: 116-260) signed on December 27, 2020, included \$638 million in funding with instructions for the Administration for Children and Families (ACF) within the U.S. Department of Health and Human Services (HHS) to carry out grants to states, territories and tribes to assist low-income households with water and wastewater bills. Additionally, on March 11, 2021, the American Rescue Plan Act of 2021 (Public Law No.: 117-2) appropriated an additional \$500 million to the new LIHWAP effort. The full appropriations language from both the Consolidated Appropriations Act of 2021 and the American Rescue Plan Act are available on the OCS website through the following weblink:

<https://www.acf.hhs.gov/ocs/law-regulation/lihwap-laws-and-regulations>

Congress has neither enacted any other law or issued any official report concerning LIHWAP.

**2. Question: Is LIHWAP a one-time emergency appropriation or an ongoing annual appropriation?**

**Answer:** The LIHWAP effort was authorized under two separate appropriations as part of an emergency effort to prevent respond to COVID-19. LIHWAP does not have a permanent or ongoing statutory authorization or appropriation beyond the current funding.

The appropriations language contained in the Consolidated Appropriations Act of 2021 instructs that HHS and grantees to “the extent practicable, use existing processes, procedures, policies, and systems in place to provide assistance to low-income households.” Based on this instruction, the Office of Community Services (OCS), which is administering the LIHWAP effort, has closely modeled many of the terms and conditions for LIHWAP legislative assurances and requirements on the Low Income Home Energy Assistance Program (LIHEAP) as authorized by the Low Income Household Energy Assistance Act, 42 U.S.C. 8621 et seq.

Please note that while the terms and conditions are modeled on the LIHEAP statute in order to ensure consistency in processes, procedures, policies, and systems, LIHWAP funds are not otherwise subject to LIHEAP statutory requirements. Within the limits of the LIHWAP Terms and Conditions, grantees have flexibility to modify existing processes and procedures for this emergency effort. OCS encourages grantees to consider emergency flexibilities when planning for and administering LIHWAP, and, where possible, States, Territories, and Tribes should not only expedite plan development by modeling efforts on LIHEAP processes and procedures, but also look for ways to simplify and expedite the distribution of resources.

**3. What specific instructions are outlined in the appropriations language?**

**Answer:** The appropriations instructions are brief, but establish a number of critical requirements:

- **Program Development:** LIHWAP funds can be used “for necessary expenses for grants to carry out a Low Income Household Drinking Water and Wastewater Emergency Assistance Program;”
- **Types of Grantees:** Grants may be provided “to States and Indian Tribes;”
- **Allocation Formula:** Grant funds must be allotted to States or Indian Tribes based on:
  - The percentage of households in the State, or under the jurisdiction of the Indian Tribe, with income equal to or less than 150 percent of the Federal poverty line, and
  - The percentage of such households in the State, or under the jurisdiction of the Indian Tribe, that spend more than 30 percent of monthly income on housing;
  - OCS is further instructed that up to 3 percent of the appropriation must be directed to Indian Tribes and Tribal Organizations;
- **Beneficiaries:** Grant funds are intended “to assist low-income households, particularly those with the lowest-incomes, that pay a high a high proportion of household income for drinking water and wastewater services;”

- **Household Benefits:** Payment 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;
- **Payment Approach:** According to legislative instructions, payments of benefits on behalf of eligible households must be made “by providing funds to owners or operators of public water systems or treatment works;” and
- **Administrative Approach:** The legislation instructs that “in carrying out this appropriation, the Secretary of the U.S. Department of Health and Human Services (HHS), States, and Indian Tribes, as applicable, shall, as appropriate and to the extent practicable, use existing processes, procedures, policies, and systems in place to provide assistance to low-income households, including by using existing programs and program announcements, application and approval processes.”

## WATER ASSISTANCE NEEDS FOR LOW-INCOME HOUSEHOLDS

### 4. Question: Why has household water assistance recently received new support, and how is this related to preventing, preparing for, and responding to COVID-19?

**Answer:** Access to safe and affordable drinking water and wastewater services is a fundamental element of health, safety, and well-being for households across America. Yet water affordability is a significant and growing concern in communities across the country. Many communities have faced significant challenges related to water safety, aging water infrastructure, and even water shortages due to drought. Moreover, water affordability concerns and the growing crisis of household indebtedness disproportionately impacting low income individuals and people and communities of color and can be related to multiple adverse household impacts in terms of service disconnections and lien sales, leading to home foreclosures and evictions.

For many low-income households across America, water affordability needs have been significantly exacerbated by the COVID-19 public health crisis, and while water is required to follow the federal guidance from the Centers for Disease Control and Prevention (CDC) advising washing hands frequently in order to reduce the transmission of Covid-19, the pandemic has made it significantly more difficult for individuals and families to pay their home drinking water and wastewater bills. While some states have instituted temporary moratoria on shutoffs, water consumers have accumulated debts that have serious economic consequences not only for household consumers, but also for public water utilities.

While water costs and accessibility vary significantly from state to state, LIHWAP provides critical nationwide emergency support on behalf of low-income households so that vulnerable low-income households are not forced to choose between paying for water services and other necessities like housing, food, and medicine.

**5. Question: Within the allowable uses for LIHWAP funding, what are OCS' priorities for grantees to consider?**

**Answer:** OCS priorities (in ranked order) are:

1. Restoration of services to households that have had drinking water and/or wastewater services disconnected due to arrearages,
2. Prevention of disconnection for households at risk of disconnection due to arrearages, and
3. Reducing rates charged to low-income households where possible to help ensure affordable household water services.

OCS recognizes that the available grant resources may not be sufficient to fully address all these priorities within states, territories, and tribal areas. Grantees that are only able to focus on the first or second priority areas should assess needs across the entire area (e.g. urban, suburban, and rural) and may focus resources on areas of concentrated need or may customize outreach strategies to address "hard-to-reach" populations or particularly at-risk populations, such as aging adults, individuals with disabilities, and households with young children. Because this is an emergency program, grantees should assess conditions and identify operational priorities and emergency flexibilities to meet immediate needs within their State, Territory, or Tribal service areas.

#### **LIHWAP GRANT IMPLEMENTATION PLANS**

**6. What is the format for a LIHWAP Grant Implementation Plan and where can I find guidance?**

**Answer:** The OCS has created a plan template referred to as the "LIHWAP Model Plan" along with detailed instructions and definitions for key terms. This plan template and the supporting materials, along with specific instructions for submission, is available on the following weblink:

<https://www.acf.hhs.gov/ocs/policy-guidance/lihwap-2021-09-model-plan-final-fy2021>

Please note that OCS has already awarded grant funds to States, Territories and Tribes that have designated a responsible official, signed the Terms and Conditions of Award, and submitted an SF-424M application form. However, grantees may only expend up to 15 percent of the award for initial administrative and start-up costs pending submission, review, and acceptance of the LIHWAP Grant Implementation Plan.

**7. Are two separate LIHWAP Grant Implementation Plans required for grant funds awarded from the Consolidated Appropriations Act, 2021 (Public Law No: 116-260) and the American Rescue Plan Act of 2021?**

**Answer:** No, a single plan may be submitted for the two grants. However, the plan template does have a table (1.4) that requires separate funding allocations (i.e. Household Benefits, Outreach/Eligibility Determination, Administration) for the two funding sources.

**8. Are there different formats for States, Territories and Tribes?**

**Answer:** With the exception of signature boxes, the plan formats are virtually identical for States, Tribes and Territories. However, the plan template includes some questions related to water suppliers (in Section 6 of the template) that apply only to Tribes.

**9. What is the deadline for submission of a LIHWAP Grant Implementation Plan?**

**Answer:** As outlined in the Model LIHWAP Plan [Action Transmittal](#) and instructions, the deadline for submission is August 9, 2021. A link to the instructions for submission is provided below:

<https://www.acf.hhs.gov/ocs/policy-guidance/lihwap-2021-09-model-plan-final-fy2021>

**IMMEDIATE USE FOR OUTREACH AND ELIGIBILITY/INTAKE COSTS**

**10. Question: Grantees have received approval to expend up to 15 percent of funds for administrative costs. If Outreach & Eligibility/Intake costs are not considered to be administrative expenses, does that mean grantees cannot incur these costs now before their LIHWAP Grant Implementation Plans are accepted?**

**Answer:** A grantee can incur outreach costs now and reimburse themselves those costs once the full grant is available. Eligibility/intake costs would likely be incurred once the grantee opens up the application period for households, which will likely occur around the same time or soon after the Plan is accepted.

**11. Question: If a grantee can incur outreach and eligibility costs now, can they pay for those costs with the 15 percent of the grant that has already been released, or do they need to wait to reimburse themselves for those costs after their Plan is accepted and they no longer have a restriction on their grant?**

**Answer:** If a grantee needs to pay outreach costs now they can, but they should make an accounting adjustment on their books after the full grant is available so that they can maximize their administrative dollars (for non-outreach expenses). Likely, no eligibility/intake costs will be incurred before the Plan is accepted, but to the extent they are, the same principle applies.

**ARREARAGES AND RATE REDUCTIONS**

**12. Question: What is the difference between arrearages and rate reductions, and how are they defined?**

**Answer:** For the purposes of LIHWAP, an *arrearage* refers to an unpaid past due bill for household drinking water and/or wastewater utility services while *rate reduction* refers to full or partial payment of a currently-due bill charged to a household for drinking water or wastewater services. Both payments may include standard charges and fees included in the household water bill, including standard reconnection fees.

**13. Question: In setting up benefits, can we set a maximum benefit level and only pay the amount of the past due balance? For example, our state would like to set a maximum benefit level of \$2,500. If a household owes \$1,200, we would pay the \$1,200 balance owed to bring the household to a zero balance. If a household owes \$3,000, we will pay the maximum of \$2,500, leaving a balance due to the household of \$500.**

**Answer:** Grantees have significant discretion in setting maximum benefit levels based on available resources and assessment of current water needs of low-income households within the communities they serve. However, OCS does not recommend only a partial payment of arrearages if this will not prevent disconnection of water services or result in reconnection of water services.

We recommend consultation with water utilities and other community stakeholders to get a good understanding of average bills and past-due balances in order to set a reasonable benefit level to meet household needs. OCS strongly encourages grantees to consider benefit levels that will be sufficient to prevent disconnection of household water services and/or restore services to households that have already been disconnected.

In setting benefit levels, grantees can make distinctions between policies and maximum benefit levels for arrearages (meaning past-due balances) and policies and maximum benefit levels for rate reductions (meaning payment of currently-due household drinking water or wastewater bills).

**14. Question: Can LIHWAP funds be used to pay water utility fees and charges?**

**Answer:** Yes, payments of arrearages can include payment of standard reconnection fees, charges, and penalties. However, these fees should be standard fees consistent with the existing and ongoing business practices of the water utility (rather than a special fee charged to LIHWAP households). Grantees have discretion in determining whether these costs are included in the maximum benefit level or are in addition to the maximum benefit level.

**15. If a partial payment of an arrearage, based on a maximum benefit level, would not result in the reconnection of services, what options do grantees have to address household needs?**

**Answer:** If payment of the maximum benefit level would not prevent disconnection or result in restoration of benefits, there are a number of options for grantees to consider in their policies and procedures. For example:

- Grantees may include provisions in vendor agreements that require that services be restored and/or maintained for a set period of time (e.g. 90 days or more) in exchange for payment at the established maximum benefit level;
- Grantees may create policies or exceptions for review of larger payment amounts in exceptional circumstances (e.g. the household circumstances may be documented and

reviewed at the state level or by a secondary reviewer within the local administering agency);

- Grantees may leverage other available resources, such as the [Emergency Rental Assistance Program](#), the [Community Services Block Grant](#), or private resources to address additional needs; and
- Lastly, if a pattern emerges in which significant numbers of households have arrearages beyond the grantees established maximum benefit, the grantee has discretion to amend overall benefit levels. This amendment does not require prior approval from OCS; however, grantees need to notify OCS of changes to benefit levels within 30 days of the change.

**16. Question: The immediate concern in our state is the emergency payment of arrearages. In fact, we believe that the available LIHWAP funds will be fully expended after the payment of past due balances for households in our state. Are we required to set aside funds for ongoing payments of currently due bills, or can we set a policy to only pay arrearages?**

**Answer:** Grantees are encouraged to place a priority on payment of past-due balances to restore water services for households that have been disconnected or to prevent disconnection. While the legislative language for LIHWAP indicates that the appropriation is for payment of arrearages and for rate reductions, grantees can set priorities based on state and community-level needs. OCS recommends consulting with consumer advocates, other community stakeholders with knowledge of the water needs of low-income households, representatives of water utilities, and other parties to identify potential needs related to arrearages as well as concerns related to affordability of ongoing household water bills.

Grantees may establish and implement program plans in stages based on the highest local community needs and available grant resources. For example, if a large number of households have significant arrearages and are at risk of disconnection of household water services or have already had services disconnected, grantees may place an immediate priority on the payment of arrearages as a first stage of program implementation. Grantees may then pay currently due bills to assure affordability of household drinking water and wastewater services as a next stage of program implementation if resources permit.

To the extent that available resources are unable to meet all current community needs, grantees should work in partnership with water utilities to document unmet or ongoing community needs.

## **PUBLIC WATER SYSTEMS AND VENDOR AGREEMENTS**

**17. Question: How are public water systems defined?**

**Answer:** States, Territories, and Tribes have discretion in defining public water systems (within reasonable interpretation). OCS strongly recommends review of definitions outlined by the Environmental Protection Agency (EPA). In general, public water systems provide water for

human consumption through pipes or other constructed conveyances. In addition, tribal grantees that operate water systems under the oversight or regulation of the U.S. Department of Interior and communities that operate water systems regulated or overseen by the U.S. Department of Agriculture, the U.S. Department of Health and Human Services, or other federal agencies, should review existing definitions pertaining to those systems. After reviewing these definitions, LIHWAP grantees have reasonable discretion in defining size of water systems (e.g. based on the a specific number of household service connections) to identify specific systems with which grantees will negotiate vendor agreements in order to address the highest priority needs with each State, Territory, or Tribal area.

**18. Are household water delivery services such as truck delivery services that do not use a system of pipes considered to be public water systems?**

**Answer:** It is expected that public water systems will include a system of pipes or constructed conveyances. However, grantees may propose to reimburse vendors for household water delivery (e.g. truck delivery services) in very limited circumstances in which this is the only method for receiving safe drinking water (e.g. circumstances with lead contamination in existing water systems) in communities within their jurisdictions.

**19. Question: Will OCS offer technical assistance regarding vendor agreements?**

**Answer:** Yes, OCS conducted a webinar in June 2021 to convey key elements of vendor agreements. Materials from the webinar can be found here:

[https://www.acf.hhs.gov/sites/default/files/documents/ocs/TRG\\_LIHWAP\\_Grant%20Webinar%20on%20Vendor%20Agreements\\_062421.pdf](https://www.acf.hhs.gov/sites/default/files/documents/ocs/TRG_LIHWAP_Grant%20Webinar%20on%20Vendor%20Agreements_062421.pdf)

OCS also released an [Information Memorandum](#) that includes the top 10 questions asked on the June 2021 vendor agreement webinar, OCS' Sample Vendor Agreement Template, and examples of current vendor agreements that have been developed by LIHWAP grantees. Grantees should feel free to reach out to their liaison in OCS with any questions or feedback on specific vendor agreement language. On a very limited basis, OCS also may also be able to facilitate a call between grantees and vendors if that would be helpful. In such situations, OCS would help to clarify federal requirements and highlight the importance of the program, but OCS would not negotiate on behalf of grantees.

Vendor Agreement resources can be found here:

<https://www.acf.hhs.gov/ocs/policy-guidance/lihwap-im-2021-02-vendor-agreement-fy2021>

**20. Question: Are grantees required to have vendor agreements in place in order to make payments to water utilities? We have a very large number of water utilities in our state and some are very small.**

**Answer:** OCS recommends written agreement or contracts with water utilities for the protection of all parties. However, the terminology and procedures may vary among states, territories and tribes, and simplified agreements may be possible with very small utilities. In the absence of a written vendor agreement, a grantee would need to propose rigorous alternate procedures to



assure consumer protections, financial accountability, and consistency with the Terms and Conditions. These funds are subject to the Single Audit Act, and any procedure created in the absence of a written vendor agreement must provide assurances that protections are being made for both parties and households.

**21. Question: Are grantees required to use the sample vendor agreements that are being developed by OCS? What if our state has already begun negotiations or has already established vendor agreements using our own format?**

**Answer:** Grantees are not required to use OCS' Sample Vendor Agreement Template (or the sample vendor agreements forms from LIHWAP grantees), but OCS encourages all grantees to review the Sample Vendor Agreement Template and consider if the information and categories included in the template are useful for your agreement(s). Grantees should also assure that any format for vendor agreements addresses consumer protections, financial accountability, and consistency with the Terms and Conditions. Grantees that do not have an existing format for agreements are encouraged to use and adapt the sample agreement, which has been designed to help ensure accountability to the Terms and Conditions of the award.

**22. Question: Do vendor agreements require prior approval by OCS?**

**Answer:** No. While OCS is providing sample vendor agreements and may provide or arrange technical assistance upon request, OCS' samples are not required for grantee use. Further, grantees are not required to obtain federal approval of their vendor agreements, but must assure that vendor agreements are consistent with the Terms and Conditions of the award.

**23. Question: Can we issue vendor agreements without an approved LIHWAP plan (i.e. receiving our remaining funding)?**

**Answer:** Vendor agreements can be executed prior to submitting the LIHWAP Plan, but all agreements need to be consistent with the LIHWAP Terms and Conditions. The LIHWAP Terms and Conditions can be found here for States/Territories: [Supplemental Terms and Conditions](#), and here for Tribes: [Supplemental Terms and Conditions](#).

OCS recognizes the challenge of negotiating vendor agreements while finalizing implementation plans; however, given the level of effort that is often required to establish new relationships with utility vendors, we encourage grantees to at least begin introducing your agency and LIHWAP program to water and wastewater vendors. These preliminary conversations can help in building your implementation plan and expediting the launch of your program.

## **HOME PLUMBING AND INFRASTRUCTURE REPAIRS**

**24. Question: Some households with disconnected water services may require minor repairs (e.g. repair of leaking pipes) as part of service connections. Can LIHWAP grant funds be used for this purpose?**

**Answer:** OCS recognizes the critical need for household assistance for minor plumbing repairs. However, LIHWAP appropriations instructions specify that assistance to households is for

payments to public water utilities for household arrearages and rate reductions. While LIHWAP funds may not be used for payments for plumbing repairs, OCS encourages grantees to consider other available resources such as the Community Services Block Grant (CSBG) Coronavirus Aid, Relief, and Economic Security Act (CARES Act), which can be used to help address household needs not addressed through LIHWAP. Local CSBG CARES Act administrators may be found here: [Find a CAA](#).

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 in order to fully meet the needs of low-income households.

## WELLS AND SEPTIC SYSTEMS

### **25. Question: Are households that utilize their own privately-owned wells and septic systems for drinking water and wastewater eligible for benefits?**

**Answer:** No, payments for household costs associated with private wells and septic systems are not allowable as these would not be payments to owners or operators of public water systems or treatment works.

## CITIZENSHIP AND RESIDENCY STATUS

### **26. Question: Are LIHWAP households required to be U.S. citizens or lawful permanent residents?**

**Answer:** LIHWAP falls within the definition of “Federal Public Benefits,” outlined in the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), which limits eligibility for benefits to citizens or to qualified noncitizens (i.e. lawful permanent residents, asylees, refugees, and certain individuals with parole status) ~~who may not receive benefits for a period of 5 years beginning on the date of entry with a qualified status.~~ PRWORA prohibits the provision of these benefits to other noncitizens, including nonimmigrants (i.e., temporary residents) or undocumented immigrants. More information on these requirements is available on the following website: <https://aspe.hhs.gov/basic-report/summary-immigrant-eligibility-restrictions-under-current-law>

### **27. Question: What if a household is mixed status and includes both qualified household members (e.g. U.S. Citizens) and non-qualified household members?**

**Answer:** The appropriate policy will depend upon whether the grantee is paying for an arrearage (intended to restore services) or an ongoing rate reduction which provides a benefit for household members that can be pro-rated based on the number of eligible household members. Grantees may pay the full amount of an arrearage to reconnect services or prevent the disconnection of water services to a household with at least one qualified member in order

to assure the availability of household water services. However, consistent with PRWORA requirements, grantees must establish policies to pay only a pro-rated portion of any rate reduction benefits based on the number/percentage of qualified beneficiaries in the household.

## **TRIBAL NEEDS AND FLEXIBILITIES**

### **28. Question: What if a tribe owns and operates its own water utilities? Can the tribal government receive LIHWAP reimbursements, and is there an obligation to ensure a benefit to tribal households?**

**Answer:** Yes, if a tribe owns and operates its own water utilities, the government may receive reimbursement through LIHWAP provided that there is a benefit to eligible tribal members in the form of reduced rates, fees, or arrearages. While tribal administrative structures may differ, the LIHWAP grant should generally be administered by a tribal office, agency or staff members responsible for other human service benefits rather than by the office or agency that operates the water utility directly. In addition, a clear system of internal controls and conflict of interest policies must be in place to assure that the grantee personnel, offices or administrative agencies involved in setting benefit levels and making payments to the public water system are separate and operationally distinct from the personnel, offices or agencies that run the public water system .

### **29. Question: What if tribal members do not pay a water bill? Would it be permissible for the tribe to administer the grant and reimburse its agency that runs the water service based on a calculation of the households that receive the centralized water service, rather than based on applications from individual household members?**

**Answer:** If the tribal members do not pay a water bill, the grantee must confirm there is another routine charge or fee assessed to eligible households by the tribe that can be reduced, regardless of whether it is specifically for drinking water or wastewater services. For example, this may include an annual tax to the tribe, such as a membership tax.

The tribe is permitted to use a categorical eligibility process (such as with LIHEAP) to credit the LIHWAP benefit to that annual fee. A written notice must be provided to the household about the reason for receiving the credit. So long as the tribe provides drinking water or wastewater services to households at no extra charge, a categorically eligible household is not required to submit a LIHWAP application to qualify, nor does the fee need to be specifically for drinking water or wastewater services.

### **30. Question: Is a State-Tribe agreement required or necessary?**

**Answer:** No, a State-Tribe agreement is not required for the purposes of determining amounts for Federal award allocations. Unlike LIHEAP, our office cannot accept tribe-state agreements for the determination of grantee allocation amounts. In LIHEAP, such agreements cover key issues like the tribal funding amount, coordination of programs, and data exchanges to avoid giving the same household duplicate benefits by both the state and tribe. However, based on the appropriation instructions, the funding formula is vastly different for the water program. Instead of each tribe's grant being set aside out of the respective state in which the tribal lands cross, like in LIHEAP, the water program funding has a 3 percent set aside from the total funding

for tribes. Thus, if a state wishes to give a tribe more funding, that would have to be done through an agreement between the state and tribe, such as through a subgrant or contract agreement. OCS will not be able to adjust state grant awards to provide funding to tribes based on these agreements. The state will have to issue the funding directly to the tribe. Certainly, there may be positive reasons why states and tribes will want to be in regular communication and maybe have an agreement with respect to coordination of services and data sharing, but OCS does not need a copy of such agreements.

- 31. Question: If I represent a tribal organization that acts as a consortium to serve several independent tribes or native villages, do I need to submit a consortium agreement with the tribal council resolutions? If yes, by when?**

**Answer:** Yes, every tribal consortium needs to submit, to OCS, a copy of the consortium agreement showing the name of each village or tribe being served. We also need a copy of each underlying tribal council resolution confirming those tribes agree to be served by the consortium. We need to receive these complete packages with your LIHWAP Plan. We will not release the remainder of your grant until those documents are on file with us.

## **PUBLIC INPUT**

- 32. Question: What are the requirements for obtaining public input on the LIHWAP Plan?**

**Answer:** OCS does not specify the amount of time required for a public comment period on the LIHWAP Plan. Grantees have discretion when setting the time period; however, grantees should ensure the public has a reasonable amount of time to provide input on the plan. For example, 48 hours would not be a reasonable amount of time for the public to review the plan in its entirety and provide a response. While there is no single methodology required for public input, grantees should actively seek input from low-income households and their representatives (e.g. households that have had their water service disconnected or have significant arrearages). Methods to obtain public input include, but are not limited to, virtual meetings, public notification and comments through electronic methods such as via a website, email, and in person hearings. OCS also recommends obtaining input about the plan from the water utilities while grantees are developing and completing the plan and vendor agreements.

## **OBLIGATIONS AND EXPENDITURES**

- 33. Question: How long do grantees have to obligate and expend LIHWAP funds?**

**Answer:** Grantees have until September 30, 2023, to fully obligate funds. All obligated federal funds must be liquidated no later than 3 months after the end of the project period (i.e., December 31, 2023).

- 34. Question: Our grant is currently restricted to a drawdown of 15 percent for administrative activities or for activities to initiate outreach? How will States, Territories, and Tribes be notified when the LIHWAP plan is accepted and remaining funds can be drawn down?**

**Answer:** After OCS staff review the LIHWAP plan, grantees will receive notification if the plan is accepted or if clarification is needed on any items in the plan. OCS will notify grantees formally when plans have been accepted, and the ACF Office of Grants Management will send a separate notification when it as lifted restrictions on the drawdown of remaining funds.

#### **REPORTING & MONITORING**

**35. Question: The LIHWAP Terms and Conditions outline general categories for reporting, but OCS has not yet released a reporting form or detailed reporting instructions for LIHWAP. When will this be provided and will grantees have input?**

**Answer:** Reporting forms are under development, and OCS expects to release them in late summer 2021. It is expected that grantees will have an opportunity for input before the forms are submitted to the Office of Management and Budget (OMB) for emergency clearance.

#### **APPLICABILITY OF TERMS AND CONDITIONS TO AMERICAN RESCUE ACT FUNDS**

**36. Question: Do the terms and conditions only apply to Consolidated Appropriations Act of 2021 funding?**

**Answer:** No, the LIHWAP specific Terms and Conditions and the general ACF Terms and Conditions for Mandatory Grants apply to both grants, the Consolidated Appropriations Act of 2021 funding and the American Rescue Plan Act funding. The LIHWAP specific Terms and Conditions are for the program and will not change unless future legislation on this program necessitates it.

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

/s/

Dr. Lanique Howard  
Director  
Office of Community Services