Lessons from LIHWAP in San Diego:

RESEARCH & INSIGHTS FOR FUTURE WATER ASSISTANCE PROGRAMS

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Customer assistance programs are a targeted and effective way to help low-income residents maintain access to safe drinking water and reduce the financial pressures on both households and water utilities. This paper reviews the impact of the **Low Income Household Water Assistance Program (LIHWAP)** in San Diego County. LIHWAP was established during the COVID-19 pandemic to address urgent water affordability challenges faced by households across the United States. Funded by the Consolidated Appropriations Act of 2021 and the American Rescue Plan Act, LIHWAP provided critical support to low-income households in paying water and wastewater bills, preventing service disconnections, and restoring water services. The program concluded in June 2024. We use Census data, data from local service providers, a survey, focus groups, interviews, and research and industry literature to analyze LIHWAP performance in San Diego County. The analysis offered valuable insights into customer assistance programs for water service on a broader scale.

KEY FINDINGS

1. **Small Grants, Big Impact:** Most LIHWAP participants received less than $1,000 in assistance, which effectively addressed overdue bills and mitigated financial stress.
2. **Catalyzing Events:** Events like job loss, medical emergencies, and other disruptions were contributors to household water debt. LIHWAP served as a bridge for economically vulnerable households during these crises.
3. **Water Conservation Alone Is Insufficient:** Despite conscious efforts to conserve water, many participants still faced unaffordable bills, highlighting structural issues in water pricing and the need for more comprehensive affordability measures.
4. **Barriers to Participation:** Complex application processes, limited outreach, and eligibility criteria excluded some potential beneficiaries. Integration with existing programs like SNAP facilitated access but underscored the need for streamlined processes.

Executive Summary

PROGRAM IMPACT IN SAN DIEGO

San Diego County received approximately $9.4 million in LIHWAP funding. Local service providers MAAC and Campesinos Unidos Inc. (CUI)[1] implemented the program. MAAC disbursed nearly $2.49 million to 2,452 households, with 78% of applications successfully enrolled. Most assistance went to urban areas like the City of San Diego, El Cajon, and Chula Vista, reflecting concentrated need.

Focus groups and surveys revealed that although local providers struggled to spread awareness, people who did participate valued LIHWAP as a lifeline during crises. Challenges such as eligibility restrictions and limited outreach hindered broader participation.

POLICY CONSIDERATIONS FOR FUTURE PROGRAMS

1. **Clarify Goals and Metrics:** Define success metrics such as water debt reduction, family financial stabilization, and long-term bill affordability.
2. **Streamline Fund Allocation:** Simplify processes through block grants to utilities or regional coordination, reducing administrative burdens.
3. **Enhance Outreach:** Invest in community engagement using diverse communication channels to increase awareness and participation.
4. **Address Data Gaps:** Improve data sharing between utilities and program administrators for efficient fund distribution and impact evaluation.
5. **Integrate Assistance Programs:** Continue or expand bundled eligibility with other programs like LIHEAP or SNAP to reduce administrative complexity and improve access.

FUTURE OPPORTUNITIES

Water affordability remains a pressing issue as utility rates rise due to infrastructure needs and climate adaptation. Proposed federal and state legislation seeks to establish permanent water assistance programs. Local customer assistance initiatives funded by non-rate revenues, such as those by Helix Water District and Sweetwater Authority, demonstrate creative solutions under California's regulatory constraints.

CONCLUSION

LIHWAP highlighted the importance of emergency assistance programs in addressing water affordability while revealing opportunities for improvement in design, outreach, and implementation. The lessons from LIHWAP can inform the development of sustainable, integrated solutions that balance affordability with the financial stability of water utilities.

As water rates continue to rise, permanent solutions, supported by innovative policies and comprehensive metrics, are essential to ensure equitable access to this fundamental resource.

Introduction

During the COVID-19 pandemic, a new household water bill assistance program was a lifeline to struggling families across the country. The Low Income Household Water Assistance Program (LIHWAP) was created to ensure families had access to clean and safe water during a national public health crisis that caused major public health and economic disruption. The LIHWAP program was funded in 2020 and 2021 through the Consolidated Appropriations Act (CAA) and American Rescue Plan Act (ARPA) and concluded in June of 2024. While this program started as a temporary relief program, it underscored a longer-term problem of people struggling to pay their water bills. Although water utilities also struggle with costs[2] and LIHWAP funds were a helpful financial resource for utilities to maintain water operations, this report focuses on LIHWAP's impact on households struggling with water affordability. We hope this analysis can inform the design and implementation of future water assistance programs.

One in three households in the US struggle to pay their water bill on time[3] and an estimated 20% of US households were in debt to their water utility in 2024.[4] In California, approximately 12% of households (1.6 million) were in water debt as of 2021, with COVID-19 exacerbating the problem: Californians accumulated nearly a billion dollars of water debt between March and October of 2020.[5]

Utility bills are rising more quickly than inflation, a problem compounded by a multi-billion-dollar, nationwide backlog of water and wastewater infrastructure. According to Bluefield Research's U.S. Municipal Water & Sewer: Annual Utility Rate Index for 2023, water and sewer rates have steadily increased over the past decade, with the estimated bill for an average U.S. household rising by 54.8% since 2012, or approximately 4.1% annually.[6] These increases are driven by inflation, rising labor costs, and the need for substantial capital investments to address aging water and wastewater infrastructure. (For more information on the challenges of financing for water utilities, see our forthcoming report on Water Financing). These expenses result in millions of households struggling to stay current on their water payments.

Given these water affordability challenges, the Policy & Innovation Center (PIC) utilized an ARPA grant from the County of San Diego to analyze utility bill data, collaborate with local stakeholders, and conduct a survey of LIHWAP participants to understand the barriers, benefits, and opportunities presented by this program.

Federal policymakers have introduced legislation to make the LIHWAP program permanent,[7] and California legislators have considered enacting similar customer assistance programs for water and wastewater utilities.[8] These insights and findings may help inform state and federal legislators and local water utilities to shape future programs.

This report starts by briefly defining why water affordability is a challenge for both households and water utilities; summarizes how LIHWAP was created and implemented between 2021 and 2024; analyzes the local impact of the program on households in San Diego; describes what steps are being considered for water assistance programs post-LIHWAP; and concludes with potential policy considerations and future research for water assistance programs that may be envisioned at the federal, state, or local level.

Methodology

The analysis presented in this report was conducted using data from the American Community Survey (ACS) and federal and state agencies responsible for the administration and implementation of the LIHWAP program, including the US Department of Health and Human Services (HHS), US Administration for Children and Families (ACF), and California Department of Community Services and Development (CSD). San Diego-based community assistance provider Metropolitan Area Advisory Committee (MAAC) was a key partner.

The ACS, conducted by the US Census Bureau, provided comprehensive information on household poverty status and enrollment in the Supplemental Nutrition Assistance Program (SNAP, also known as CalFresh in California), a program that provides benefits for low-income households to buy food.

HHS and ACF created a LIHWAP data dashboard that uses key metrics to show the progress of states, territories, and tribes since the program's launch.[9]

CSD was the designated administering agency for LIHWAP in California and collected data on program allocations and expenditures in 2022 and 2023 (2024 forthcoming) to Local Service Providers (LSPs) who were responsible for program outreach and enrollment the regional and local level.

To evaluate the local impact of the LIHWAP program, PIC partnered with MAAC, one of the LSPs in San Diego County that received funding to conduct outreach to enroll residents in the LIHWAP program. PIC conducted focus groups and administered a survey to collect qualitative and quantitative data on LIHWAP and its impact in San Diego. A total of 328 individuals participated in PIC's survey. MAAC's anonymous LIHWAP applicant and participant data was also reviewed and compared with survey responses and focus group feedback. The focus groups, conducted in September 2023, included four sessions with 17 participants.

Quick Facts

- Created by the Consolidated Appropriations Act of 2021 (CAA) passed December 27, 2020 and expanded by the American Rescue Plan Act of 2021 on March 11, 2021
- Implemented by: The Office of Community Services in the Administration for Children and Families of the US Health and Human Services Agency
- Funding: $1.1 billion total - $638 million CAA and $500 million ARPA - 98.5% distributed to grant recipients
- Timeline: The program was originally intended to close in September 2023 but was extended for 6 months to March 2024 (liquidate funding/close out by June 2024)
- Grant Recipients: 49 States and the District of Columbia; 5 territories, 97 tribal areas

Source: lihwap-hhs-acf.opendata.arcgis.com/pages/national-snapshot#nstop

The Need

Even though water rates are set based on the cost of providing service, many San Diego residents struggle to afford their water bills. This section reviews factors that have created and reinforced this problem, and the knock-on effects of water affordability challenges.

When utilities make large investments to upgrade infrastructure to increase the capacity, reliability, or safety of the water supply, these one-time fixed costs are spread across water consumers. When water consumption decreases, either because the population decreases, the population does not grow at the rates projected in water forecasts, or because people reduce the amount of water that they are consuming, these large, fixed costs must be spread over fewer units of water sold. These economies of scale mean that investments to improve water service can hurt water affordability in the short term, and water gets less affordable as regional water consumption decreases.

While water affordability has long been a challenge that both utilities and households have faced, the pandemic exacerbated water affordability issues. Between March and October 2020, California lost 2,758,900 jobs,[10] and 1.6 million households, or 12% of households in the state, accumulated over $1 billion in water bill debt.[11] Households that fell behind on their water bills owed an average of $500, while more than 155,000 households held water debts exceeding $1,000.[12] The inability to pay water bills not only threatens essential access to clean water and sanitation but also has cascading effects, such as damage to credit scores when overdue bills are sent to collections. Low-income San Diegans already burdened by economic instability, faced intensified challenges during the pandemic, highlighting the need for policies and programs that address water affordability and ensure equitable access to this fundamental resource.

Water affordability is an acute challenge in San Diego. When water authorities are charging more than 1.5% of the median household income each month on water services, then the State of California considers the cost, access, and availability of clean water for essential needs to be difficult to manage for the people who live in the community served.[13] The US Environmental Protection Agency (EPA) evaluates water affordability as below 2.5% of median household income.[14] These definitions are the subject of some debate, which is covered in our forthcoming Water Poverty Definitions paper.

According to the County of San Diego's final Water Ways Report, the percent of median income allocated to typical household water bills varies across the region. For example, in Western San Diego County, water bills account for approximately 0.3% to 4.4% of the median income, compared to 0.3% to 2.3% in Eastern San Diego County.[15] The average

water bill *for a single person* household in 16 of 22 San Diego County water districts (ranging from $52.73 to $126.41 per month) was greater than the water bill for the average (three person) *household* water bill ($49.50 per month)[16] in the US.[17]

While each utility has its own policies and procedures for overdue water bills, as long as they comply with California state law,[18] falling behind on water bills can have severe consequences for consumers, including overdue accounts being charged late fees, bills sent to collections, damage to credit scores, and most critically, loss of access to essential water services. For example, Sweetwater Authority's policy on water service discontinuation states that water service disconnection may occur after a water bill remains unpaid for 73 days,[19] while Fallbrook issues disconnection notices after 60 days.[20]

When residents cannot pay their water bills, it also creates a financial strain for utilities. For example, in Sweetwater Authority's district unpaid, disconnected accounts are sent to collections if the balance remains unpaid for an additional nine weeks. Around four water bills get sent to collections per month. Collection agencies typically recover about half of the water debt but retain 38% of the recovered as fees, leaving Sweetwater with about 30 cents on the dollar for these accounts.[21] This means that customer assistance programs like LIHWAP, which send utilities 100% of the water debt not only relieve households of their debt obligation and threat to their credit scores but also give water agencies the full cost of water delivery for those households.

For further research on water affordability, please see our report on Water Poverty in San Diego.

Program Creation & Administration

THE CREATION OF LIHWAP

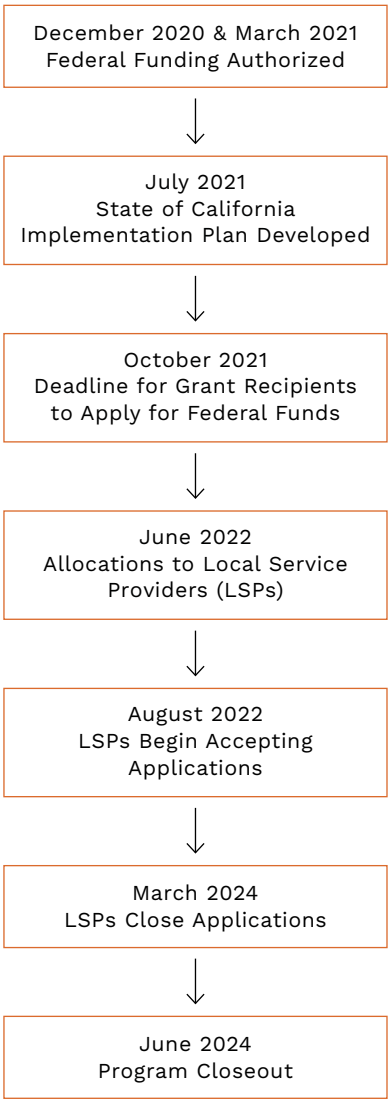
The Federal government responded to the COVID-19 pandemic by funding and creating economic assistance programs to support households. The Low Income Household Water Assistance Program (LIHWAP) was established as a temporary emergency relief program in 2021 and modeled after its sister program, the Low Income Household Energy Assistance Program (LIHEAP), which addresses the immediate energy needs of households. LIHWAP was designed to provide financial assistance to low-income households struggling with residential water utility costs, prevent service disconnections and risk of shutoff due to overdue bills, and ensure continued access to essential water services.

Figure 1: LIHWAP Implementation Timeline depicts a timeline of program implementation. LIHWAP was authorized through the Consolidated Appropriations Act of 2021 (CAA), passed December 27, 2020, and expanded by the American Rescue Plan Act of 2021, passed March 11, 2021.[22] By the October 2021 deadline, 49 states (North Dakota declined funding), five territories, and 97 tribal areas applied to receive funds as grant recipients.

In California, the State developed a Draft Implementation Plan in July 2021 and issued updated guidance in April 2022 .[23] California's approach allocated funding to Local Service Providers (LSPs) to administer the program in different regions across the state in June 2022. LSPs were able to accept applications shortly after August 2022 and continued until March 2024.

The program was originally intended to close in September 2023. In July 2023, HHS introduced a no-cost extension, allowing grant recipients to apply for a six-month extension to the original deadline and moving the final deadline to June 30, 2024. Extensions were granted to 36 states and territories, accounting for about 65% of the total participants in LIHWAP.[24]

Figure 1: LIHWAP Implementation Timeline



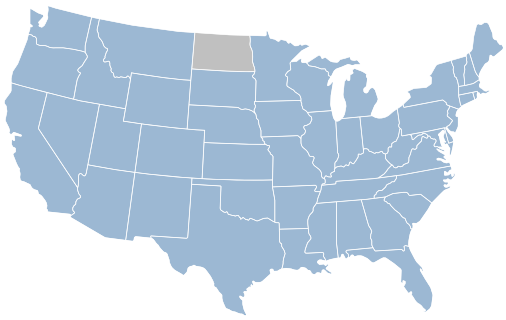
FEDERAL LIHWAP OPERATIONAL PRIORITIES

The LIHWAP program identified three operational priorities:

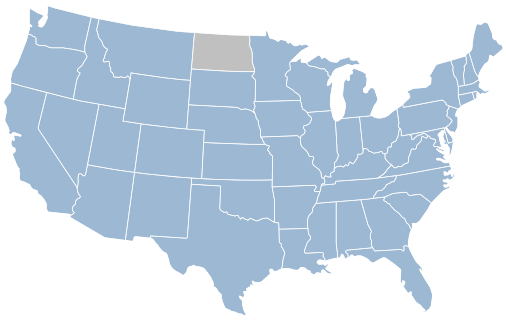
1. **Restoration of Services: Households with disconnected water services.** The primary focus is to aid those whose services have already been disconnected.
2. **Prevention of Disconnection: Households with pending disconnections of water services.** The second operational priority was households that currently have service but are at risk of being disconnected because of non-payment. This means they have a disconnection notice or an outstanding balance.
3. **Reduction of Rates Charged: Households seeking support with current water bills.** The third priority includes those with active services who need assistance with their current bills but are not otherwise overdue.

Of the state grant recipients, 98% identified restoration of services, 100% identified prevention of disconnection, and 53% identified reduction of rates as operational priorities. Eight percent of state grant recipients identified other operational priorities, as shown in Figure 2: Map of LIHWAP Operational Priorities by State.

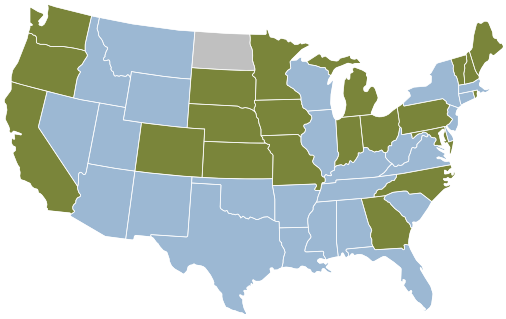
Figure 2: Map of LIHWAP Operational Priorities by State[25]



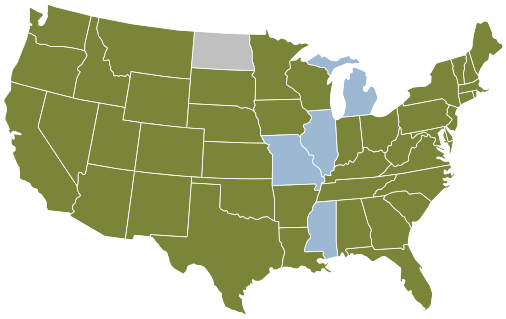
Map 2.1 Restoration of Services Priority



Map 2.2 Prevention of Disconnection Priority



Map 2.3 Reduction of Rates Charged Priority

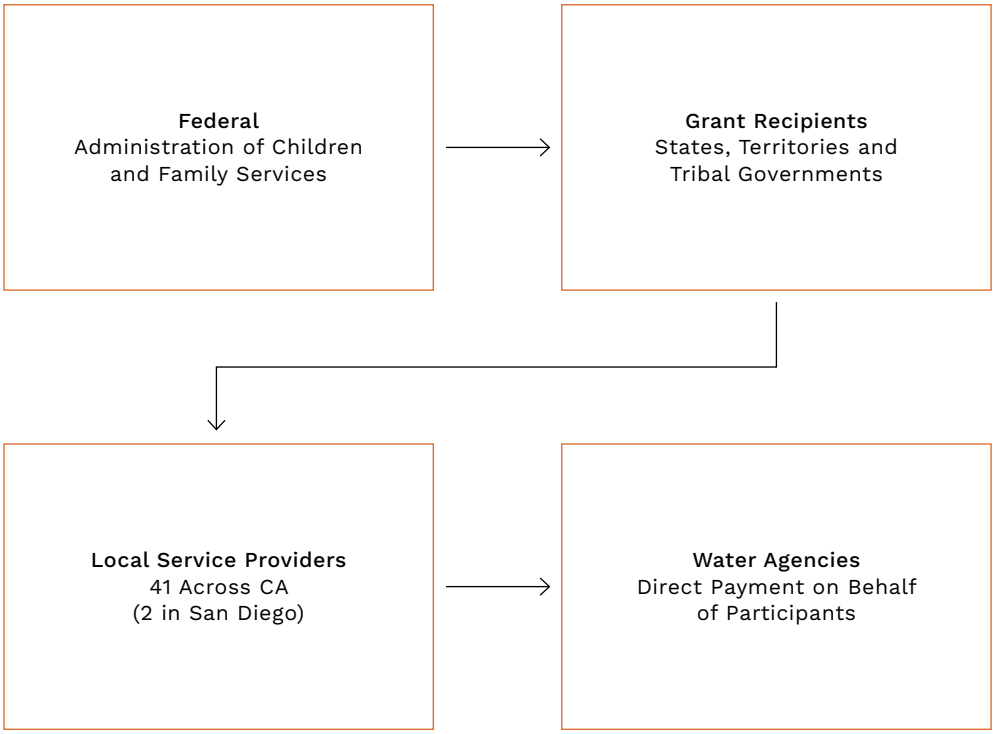


Map 2.4 Other Operational Priorities

FEDERAL PROGRAM IMPLEMENTATION AND FLOW OF FUNDING

The LIHWAP program was administered at the federal level by the Administration of Children and Family Services, under the Department of Health and Human Services. Figure 3: LIHWAP Implementation Timeline depicts how funding moved from the federal level to the grant recipients (i.e., states, tribes, and territories), then to local service providers, and finally to water utilities on behalf of program participants.

Figure 3: LIHWAP Implementation Timeline



To receive funding, each grant recipient was required to prepare an implementation plan[26] and set a minimum and maximum benefit amount based on the needs of low-income households in their service area.[27] For California's initial implementation, customers had to have a past-due water bill of at least $1 and a maximum benefit limit of $2,000 per household.

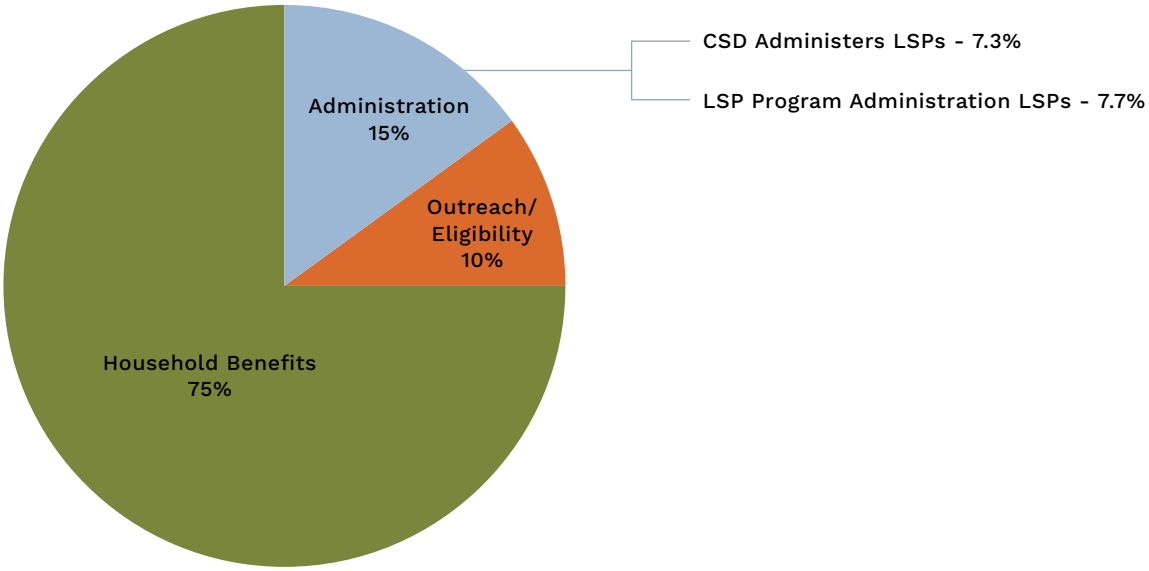
As LIHWAP approached its end, some states, including California, distributed remaining LIHWAP funds as supplemental benefits to water utilities on behalf of households that had previously received assistance. These supplemental benefits were automatically applied to eligible households' water or sewer utility bills without the need for a new application.[28] With the new deadline, most local service providers accepted current and past-due water bills.[29]

At the conclusion of the program, approximately 98.5% of LIHWAP funds were dispersed to assist 1.7 million households[30] in 49 states, five US territories, Washington DC, and 97 tribal governments.

CALIFORNIA LIHWAP PROGRAM IMPLEMENTATION

California received approximately $116 million in funding, administered by the California Department of Community Services and Development (CSD)[31] and identified (1) Restoration of Services and (2) Prevention of Disconnection as operational priorities in the State's Implementation Plan. Figure 4: LIHWAP Fund Allocation identifies how California's funding was allocated between household benefits (75%), outreach and eligibility (10%), and administration split between LSPs (7.7%) and CSD (7.3%).

Figure 4: LIHWAP Fund Allocation



LIHWAP benefited from the existing administrative and logistic structure of its sister program, LIHEAP: "CSD has closely modeled LIHWAP administration and program requirements on the LIHEAP program in order to realize administrative efficiencies and accelerate the rollout of LIHWAP local grant administration at both the state and local level."[32] Based on the LIHEAP model, LIHWAP funding was sub-allocated to 41 Local Service Providers across the state. Each LSP was responsible for conducting outreach, enrolling eligible participants, and, once applications were approved, requesting CSD provide payment to water agencies on behalf of the enrolled participant or issuing payment to enrolled participants whose water and sewer costs are included in their monthly rent.

Local Implementation of LIHWAP

LOCAL LIHWAP FUNDING ADMINISTRATION

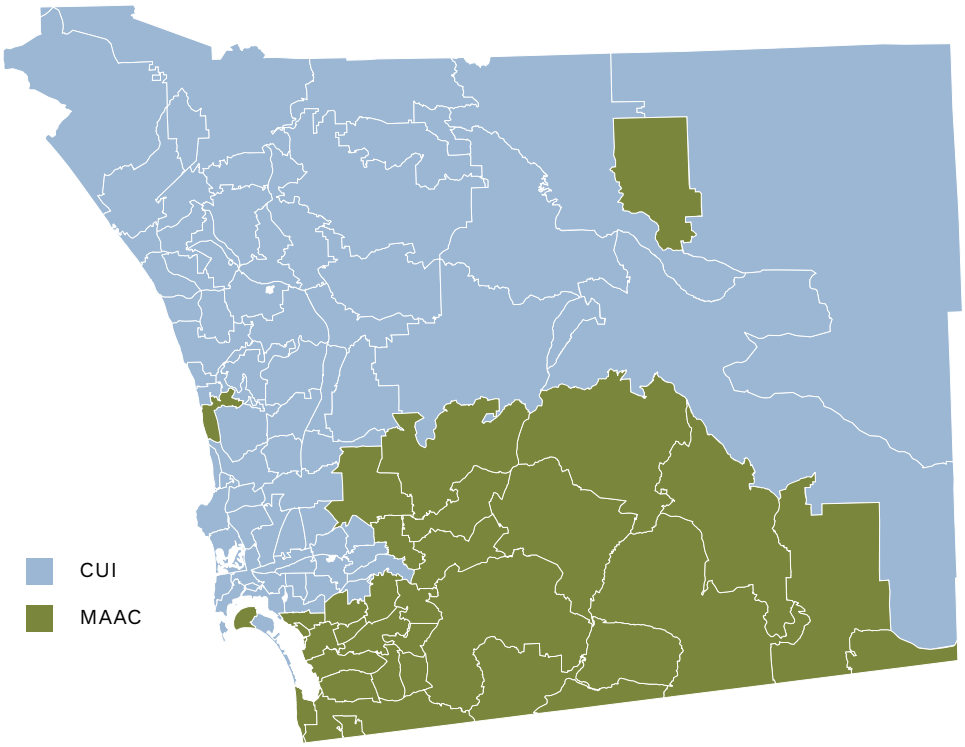
The allocation of LIHWAP funds in San Diego County totaled approximately $9.4 million dollars. Due to the size and number of households in San Diego County (approximately 3.3 million residents and 1.15 million households), two Local Service Providers, Campesinos Unidos Inc. (CUI) and Metropolitan Area Advisory Committee (MAAC) were responsible for implementing LIHWAP in different geographic areas of the County (see Figure 5: CUI and MAAC Service Areas). $3.3 million was allocated to MAAC and $6.1 million was allocated to CUI in San Diego County based on the number of households in their respective service areas that had income levels at or below 150% of the federal poverty level.[33] After the initial round of benefits issued by the California Department of Community Services and Development (CSD), $5 million remained in San Diego County, with $781,000 remaining for MAAC and $4.2 million remaining for CUI. Following the second issuance of benefits, most funds were utilized, ensuring a sizable impact in addressing overdue water bills for households enrolled in the program.[34] Each LSP was responsible for outreach, eligibility determination, and administration of the program within their geographic service area.

Both MAAC and CUI played pivotal roles in implementing LIHWAP in San Diego:

- MAAC serves the southern and eastern parts of San Diego County. MAAC offers a variety of services for different community resources, family asset building, and workforce development. MAAC's organization typically serves 100,000 people per year and leveraged its network of families and individuals who have been served by its programs to reach potential LIHWAP applicants.
- CUI serves the northern and western parts of San Diego County. CUI was incorporated to promote greater social, economic, educational, and employment training opportunities for farm workers and other economically disadvantaged residents of the Imperial, Riverside and San Diego counties. Across their service area, CUI served nearly 27,000 people in 2023.[35]

MAAC and CUI began accepting applications in August 2022, continuing until the application period closed in March 2024.

Figure 5: CUI and MAAC Service Areas[36]



LOCAL OUTREACH & MEDIA COVERAGE OF LIHWAP

As a new form of financial assistance, creating awareness of the program and reaching potentially eligible households was a top priority for the LSPs. Per the State Implementation Plan, only 10% of funds could be spent on outreach and eligibility determination. MAAC and CUI each implemented multi-faceted campaigns to create awareness and enroll eligible households:

- MAAC Outreach - Their website provided a dedicated page with comprehensive information about the program, including benefits, eligibility requirements, the application process, and frequently asked questions about the program. Interested households could contact MAAC directly by phone or email for personalized assistance, ensuring a user-friendly experience.
- CUI Outreach – Provided a dedicated space on their website with information about the LIHWAP program, including how to apply, who is eligible, and additional resources about the program. Households that were eligible were encouraged to call or visit their San Diego or Imperial County offices for assistance with the application process.

San Diego's utilities and media outlets also contributed to LIHWAP's success by promoting the program to their customers, clients, or viewers, with a selection of media coverage shown in Figure 6: LIHWAP San Diego County Media Coverage.

- Many water utilities shared information about the program on their websites and social media channels.
- 2-1-1 San Diego, a local nonprofit that connects San Diegans to over 6,000 community services and resources in over 200 languages advertised information about the LIHWAP program through their 24-hour hotline, website, and Community Connectors.
- Media outlets created greater awareness of the program by interviewing local water utilities staff and sharing press releases to show how the program was benefiting households.

Figure 6: LIHWAP San Diego County Media Coverage[37, 38]

MAAC ELIGIBILITY AND APPLICATION SCREENING

Based on the operational priorities, eligibility criteria, and available funding, MAAC[39] developed a checklist to screen potentially eligible households for LIHWAP benefits based on the criteria described in Appendix A: MAAC Documentation Checklist.

Applicants were screened, and those who met the criteria were invited to complete the application. Once approved, MAAC staff submitted the applications to CSD, which then issued payments directly to the water utility or water/wastewater service provider. According to CSD, the credit could "take one to two billing cycles to appear on an eligible household's utility bill or account."[40]

Water and wastewater utilities also had to participate in the LIHWAP program for their customers to be eligible to receive benefits. Table 1: Water Utility Enrollment to Accept LIHWAP Benefits identifies the water and wastewater utilities in San Diego that participated in the LIHWAP program according to CSD data, the total number of residential accounts for each utility, and how many households for each utility that have incomes at or below 150% of the Federal Poverty Line according to PIC's Water Affordability Dashboard.

TABLE 1: WATER UTILITY ENROLLMENT TO ACCEPT LIHWAP BENEFITS

Utility Name	Accepts LIHWAP Benefits for Current Bills?	Total Number of Households	Number of Households at 150% FPL	Percent of Households at 150% FPL
Borrego Water District	n/a	77	3	4%
California American Water	YES	30,896	6,199	20%
California Sub-Meters	YES	n/a	n/a	n/a
Carlsbad Municipal Water District	n/a	36,557	4,168	11%
City of Chula Vista (sewer only)	YES	n/a	n/a	n/a
City of Del Mar	n/a	1,803	48	3%
City of Escondido	YES	38,300	9,071	24%
City of Oceanside	NO	60,475	8,876	15%
City of Poway	YES	14,080	1,179	8%
City of San Diego Public Utilities Department	YES	506,298	72,567	14%
Descanso	n/a	12	1	8%
Fallbrook Public Utility District	YES	10,054	2,133	21%
Helix Water District	YES	93,874	18,330	20%
Jacumba Communtity Services District	YES	3	1	33%
Lake Morena Views Mutual Water Company	YES	130[41]	n/a	n/a
Lakeside Water District	YES	4,854	705	15%
Olivenhain Municipal Water District	YES	28,166	2,083	7%
Otay Water District	YES	67,670	7,412	11%
Padre Dam Municipal Water District	YES	36,595	4,736	13%
Pine Hills Mutual Water Company	YES	229[42]	n/a	n/a
Rainbow Municipal Water District	YES	8,106	960	12%
Ramona Municipal Water District	YES	8,755	958	11%
Rincon del Diablo Municipal Water District	YES	9,540	1,479	16%
San Dieguito Water District	YES	14,583	1,420	10%
Santa Fe Irrigation District	YES	6,640	603	9%
Sweetwater Authority	YES	61,482	14,429	23%
Vallecitos Water District	YES	34,775	4,854	14%
Valley Center Municipal Water District	NO	9,591	1,048	11%
Vista Irrigation District	YES	38,335	6,623	17%
Wynola Water District	YES	3[43]	n/a	n/a
Yuima Municipal Water District	n/a	568	48	8%
Total		1,112,109	169,934	15%

Source: CSD[44] and Policy & Innovation Center Water Affordability Dashboard as of October 2023.[45]

FOCUS GROUP AND SURVEY FINDINGS

PIC and MAAC conducted focus groups to learn about the impact of water bills on households in San Diego and the barriers to LIHWAP's implementation. The anonymous sample included both LIHWAP participants and non-participants.

Across both groups, water costs added pressure to already stressed budgets, with some residents choosing to pay rent or other utilities or over water bills:

> *"It is amazing how much the water has increased . . . after the COVID. And also, it has a really bad impact in our. . . finances, because there's only one income, fixed income... I do my best and then try my best, but sometimes I just can't because, you know, everything else just like SDGE."*

> *"Of course there is an impact [on our finances], but there is no choice . . . maybe for this month, we do much less like buying food, no extra or less. Or even on like kids' needs. We do cut. . . making sure that there will be enough for water, that there will be enough for electricity, for house, for food."*

> *"So, at this point, I have to decide whether I want to pay rent or I pay my bills."*

As other literature has noted, the affected households were not exclusively low-income. The job losses, economic downturn, and even health-related issues that resulted from the pandemic effectively increased the pool of households unable to pay utility bills, expanding it from low-income neighborhoods to middle and higher-income areas.[46]

> *"I was working, but I suffered a stroke in February, so my financial [situation] has kinda changed . . . So, it went into a past-due bill, and I didn't have the funds to pay it."*

> *"I'm in and out of the hospital. I just had a blood transfusion. . . it puts a lot of impact on me . . . I get more worried, and I just, I don't need that stress. But then again, you know, every bill, you know, I've been behind in every bill since I've been on disability."*

In response to high water bills (relative to income) or the inability to meet them, some respondents opted to modify their water consumption, hoping this would lower costs.

> *"What I do is I wash after hours. When we're supposed to wash. Also, I have to water my plants. I don't water it as much. I water it, you know, once or twice a week, you know. You're supposed to water it every day, but I cut that down."*

> *"I'm telling my kids, you know, you have to shower less than maybe 5 minutes. Your maximum of 5 minutes, you know, so it's like, we try to conserve a lot of water because it's so expensive."*

> *"I feel like the water's gone up so much and also, I have a dishwasher too, I don't even use the dishwasher. I just use the hand wash all the time."*

> *"Even, we don't have, like, any pool or I don't use dishwashers, you know, all this stuff. But still, it's getting high"*

This highlights that residents are unaware of how their water bills are determined, in particular, how conservation plays a negligible—if existing—role in their rates. This is further confirmed by the perspective of a respondent, who believed water authorities estimate rates based on manual readings of meters.

> *"When I call the city of San Diego, they tell me they estimate what your bill is from last year and that they don't have enough employees to go around and read your reader. Because my reader outside the meter is covered with dirt and mud, there's no way they could read my meter. So, they're just estimating my bill. So, when I really made a complaint two months ago, they gave me like a $30 credit, they did realize they were over billing me. But then I got my bill the other day, same thing. It's back up to 200. Again, because they're going on last year's bill, and I don't understand how they can do that. That's what frustrates me."*

Regarding the application process, there were two types of LIHWAP non-participants: those who applied and got rejected and those who did not apply. Non-applicants referred to the hurdles they thought they would encounter.

> *"I was tempted to, but it is such, it's too hard to be able to get the time to go there and actually have time for them to see you, because there's a long line, I guess, of that. Very long line."*

> *"But of course, my water was included. So, I had not applied for the water assistance."*

> *"It was daunting. I mean, and I talked, when I did talk to someone, they said that basically they were going to be able just to maybe give me $100 a year towards my water bill. And it almost didn't seem, even though that would help it didn't seem like it was really worth it."*

> *"That is one of the biggest things I think that hurts a lot of people . . . if they're already suffering, they can't afford to go print things, they don't have a computer, they don't have access to take things back and forth to different offices or keep appointments. Like I said, working three jobs, I was struggling to make certain appointments, like Sorry, you're gonna have to wait till I have a day off."*

Many application rejections were based on zip code requirements, which raised frustration; while others expressed a good experience despite the result.

> *"I heard from the 211. And I think they referred me to the assistance, and they sent me this-- Oh, my gosh-- has to have been a 20- or 30-page form to fill out. And then when I did, it came back that my zip code didn't qualify."*

> *"I still think it was a great experience. I actually was referred, I believe, by my daughter's childcare provider. So, they referred me, and it was just a great still good experience positive experience."*

In general, respondents highlighted opportunity areas that would be helpful if the program were to be expanded or re-issued. Insights included better integration with other programs and adjusting eligibility variables like income to better reflect regional challenges.

"There was too much waste, going between too many agencies trying to help too many different people, and they [should] make it centralized. . . You have one thing you're qualified for pretty much everything because of the criteria that's already there. But the process, like I said, needs to be streamlined a little bit more."

"Even if the application process is separate, it would help folks if the application process were similar for similar programs, for example, LIHWAP and LIHEAP, or if folks were told about additional programs that they qualified for. For example, CalFresh makes folks eligible for LIHWAP. Even if one application didn't work for both, telling people about the additional programs they qualify for once they qualify for CalFresh would help folks learn about more assistance programs."

"I think the income limits too. I mean, I know this is federal and everything, but San Diego's really expensive. So, when they look at your gross and all that stuff, like I, I mean, they just think, all right. Even though we can pay it, you know, a big portion of our income does go to rent. So, it's not like we just have extra funds"

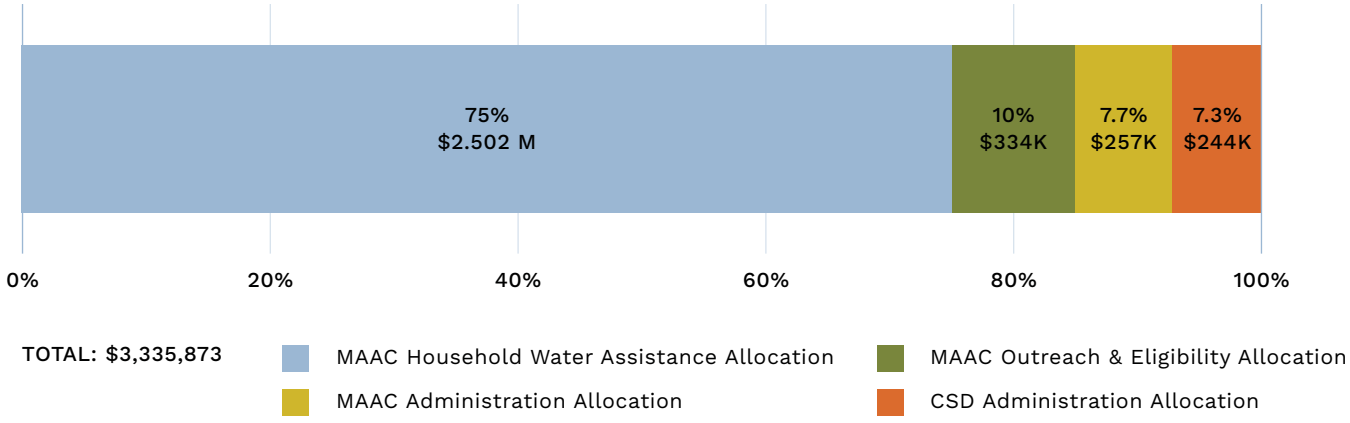
Analysis of Benefits Received

MAAC SERVICE AREA

MAAC received $3.34 million in LIHWAP funding, which was allocated in accordance with CSD guidelines (see Figure 7: MAAC LIHWAP Allocations). Of this amount, 75% ($2.50 million) was designated towards household water benefits/assistance, with nearly the entire allocation, 99% ($2.49 million) successfully disbursed to households within MAAC's service area in San Diego County by the close of the program. Of the total funds, 17.7% ($590k), were allocated to support MAAC's outreach, eligibility, and administrative activities.

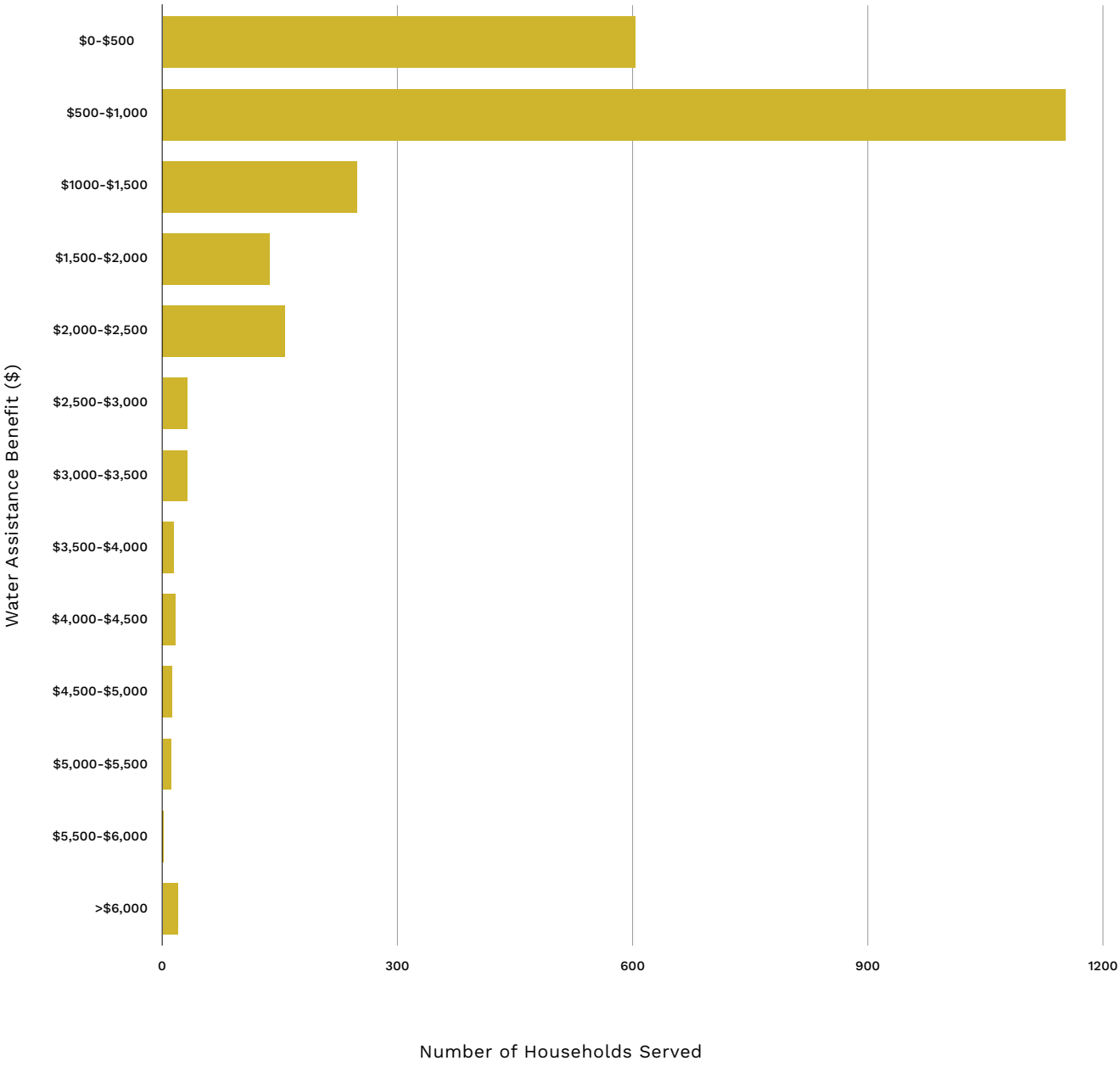
From August 23, 2022, to April 16, 2024, MAAC processed 3,149 LIHWAP applications. Of these, 2,452 applicants successfully enrolled, resulting in an enrollment success rate of 78%. Although California's initial maximum benefit amount was $2,000, program guidelines later shifted from prioritizing households with water debt, to supporting qualified low-income households regardless of current or past-due water bill status.[47] With the deadline extension of LIHWAP, MAAC later adjusted the debt relief maximum of $2,000 up to $15,000 for eligible households.[48] This section presents an analysis of MAAC's LIHWAP participants and individuals who applied for LIHWAP and received water assistance. The analysis focuses on the funding distribution among served households with a geographic breakdown of the results.

Figure 7: MAAC LIHWAP Allocations[49]



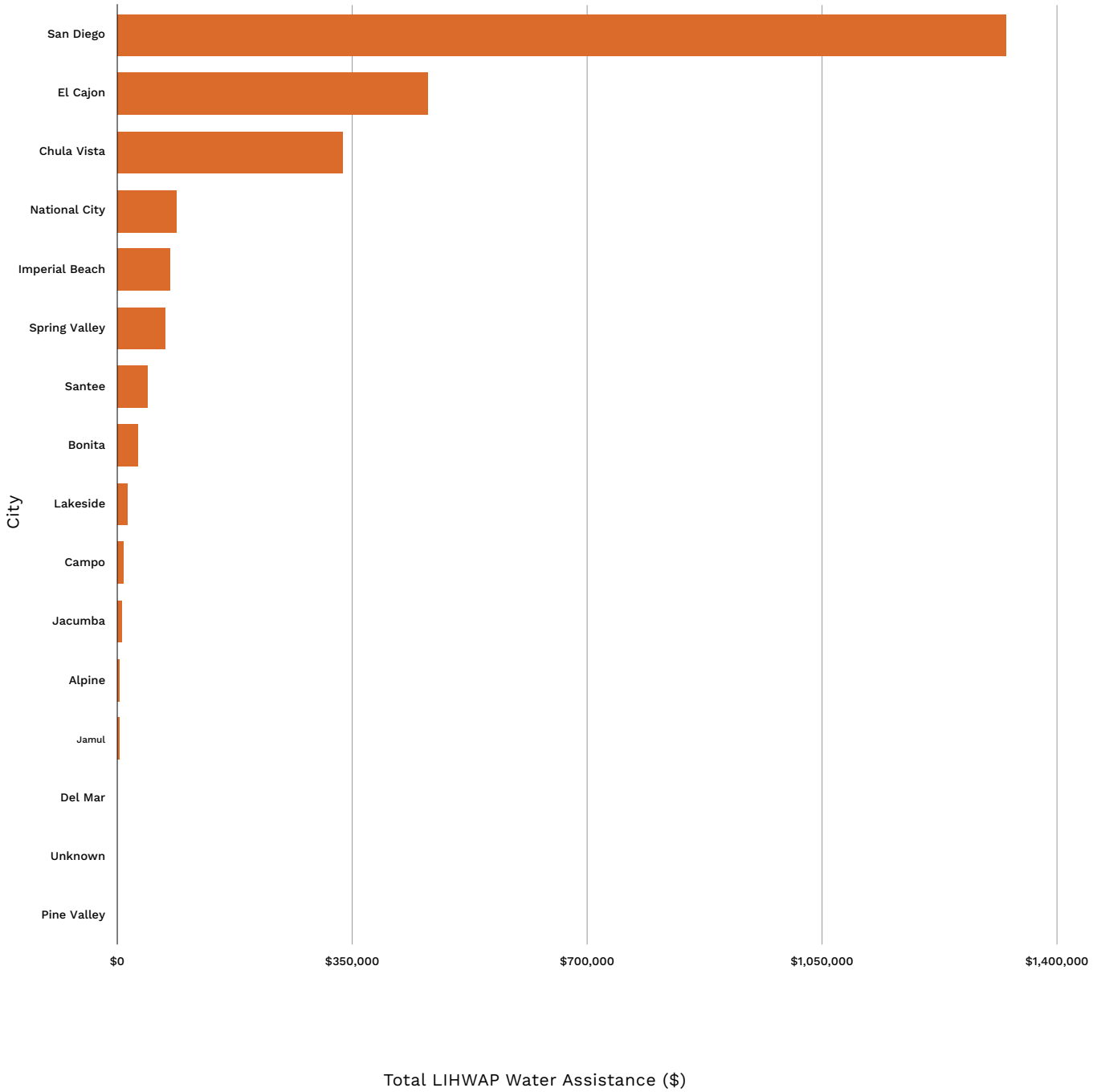
Our analysis of the LIHWAP funding disbursed among served households shows there was a wide range of benefit distribution among recipients (see Figure 8: MAAC LIHWAP Participant Funding Distribution). On average, LIHWAP participants received $1,019 in assistance for their current or overdue water bill(s). Nearly 50% of households (1,153) received benefits in the $500-$1,000 range and 25% of households (603) received $0-$500, with the smallest benefit being $74. The number of households receiving benefits greater than $1,500 decreased sharply, with fewer than 12% of households (300) receiving amounts above $2,000. A small number of households (20) received benefits exceeding $6,000, with the largest (one household) receiving $15,000. This distribution pattern suggests program design could focus on assisting most households with amounts less than $1,000 while maintaining flexibility for cases requiring higher support levels. A survey of MAAC clients conducted by PIC revealed that the benefit ranges received were proportional to the water debt of the households.

Figure 8: MAAC LIHWAP Participant Funding Distribution[50]



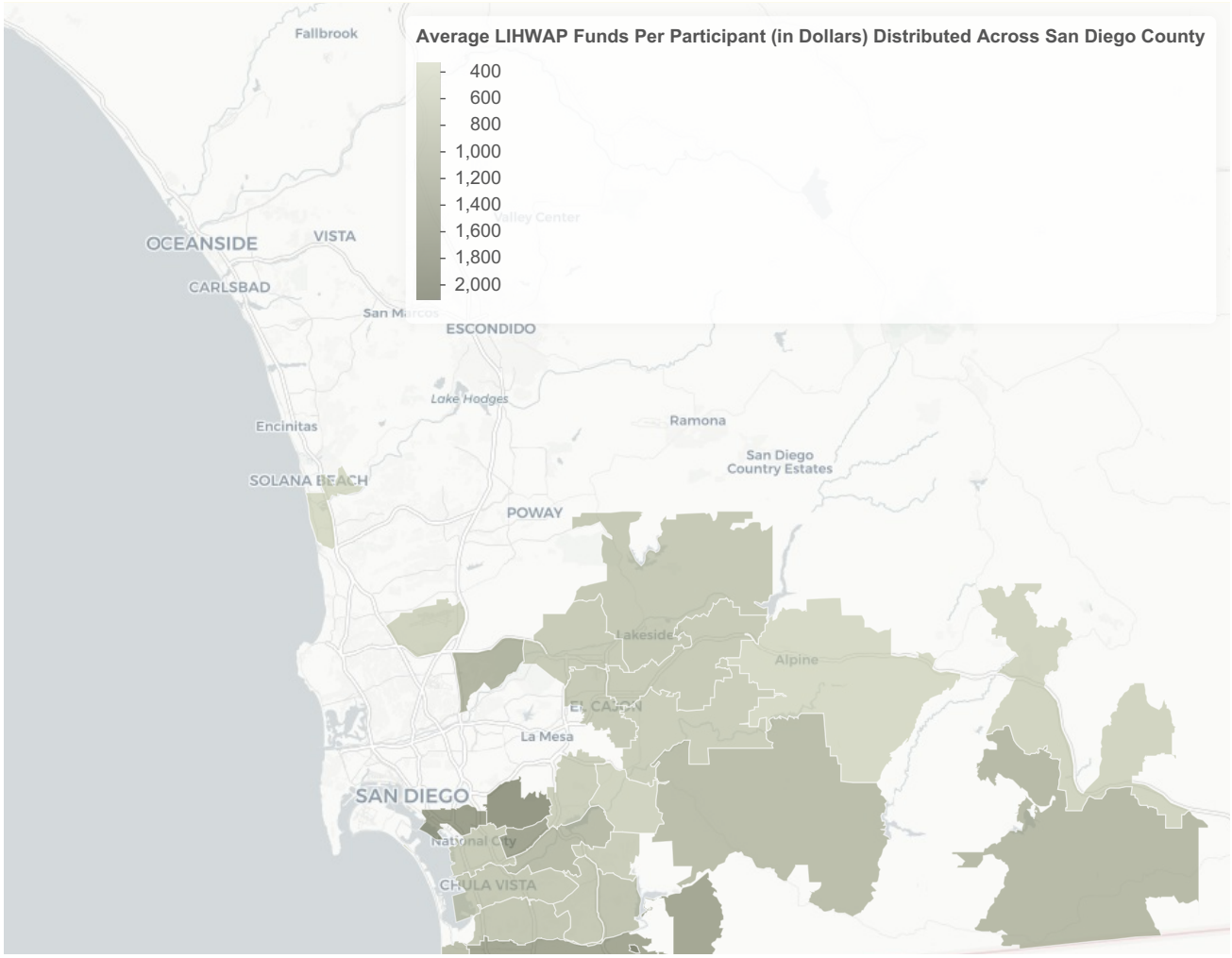
Our analysis of the total LIHWAP water assistance funds distributed by MAAC across communities in San Diego County showed that certain areas of San Diego County received more LIHWAP assistance than others. Residents In the City of San Diego received the largest share of assistance at approximately $1.3 million. (see Figure 9: Total LIHWAP Water Assistance Funds Distributed by MAAC Across San Diego County Communities). El Cajon and Chula Vista followed, receiving the second and third largest amounts of water assistance funding. Other communities, such as National City, also received substantial assistance compared to smaller communities, like Santee, Bonita, or Lakeside, likely based on differences in economic need.

Figure 9: Total LIHWAP Water Assistance Funds Distributed by MAAC Across San Diego Communities[51]



We also analyzed the distribution of LIHWAP funds by zip code to understand the geographic allocation of assistance. Figure 10 illustrates MAAC's households served, with zip codes shaded in green to indicate varying total LIHWAP benefit amounts received by area, ranging from $536 to $527,513.

Figure 10: Average LIHWAP Funds Per Participant Across San Diego County (by Zip Code)[52]



We analyzed the number of households served by LIHWAP within MAAC's service area to better understand the need for water assistance across San Diego County (see Figure 11: Households Served by MAAC: San Diego County Communities Overview). The largest number of households served were in the City of San Diego, totaling 854, which reflects the higher volume of applications received from this area. This highlights a greater demand for water assistance in certain regions compared to others. LIHWAP funds were not pre-allocated to specific areas within San Diego County. Instead, the distribution of funds across communities such as El Cajon, Chula Vista, and National City was directly determined by the number of applicants from each location. For example, households in the City of San Diego received an average water benefit amount of $1,552, which is in line with PIC survey findings on the average need among MAAC clients, illustrating the program's alignment with the level of need in the community.

Figure 11: Households Served by MAAC: San Diego County Communities Overview[53]

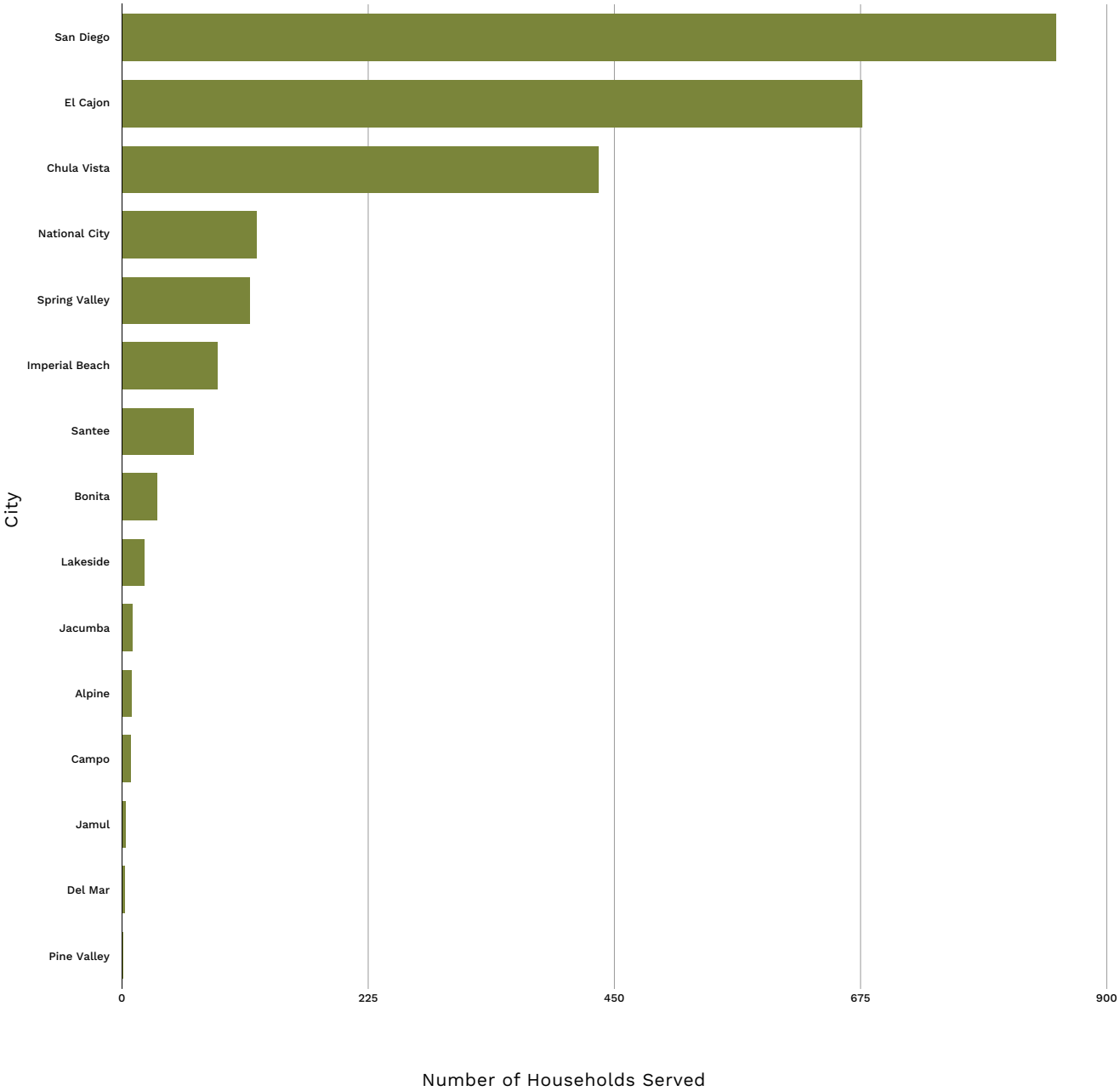
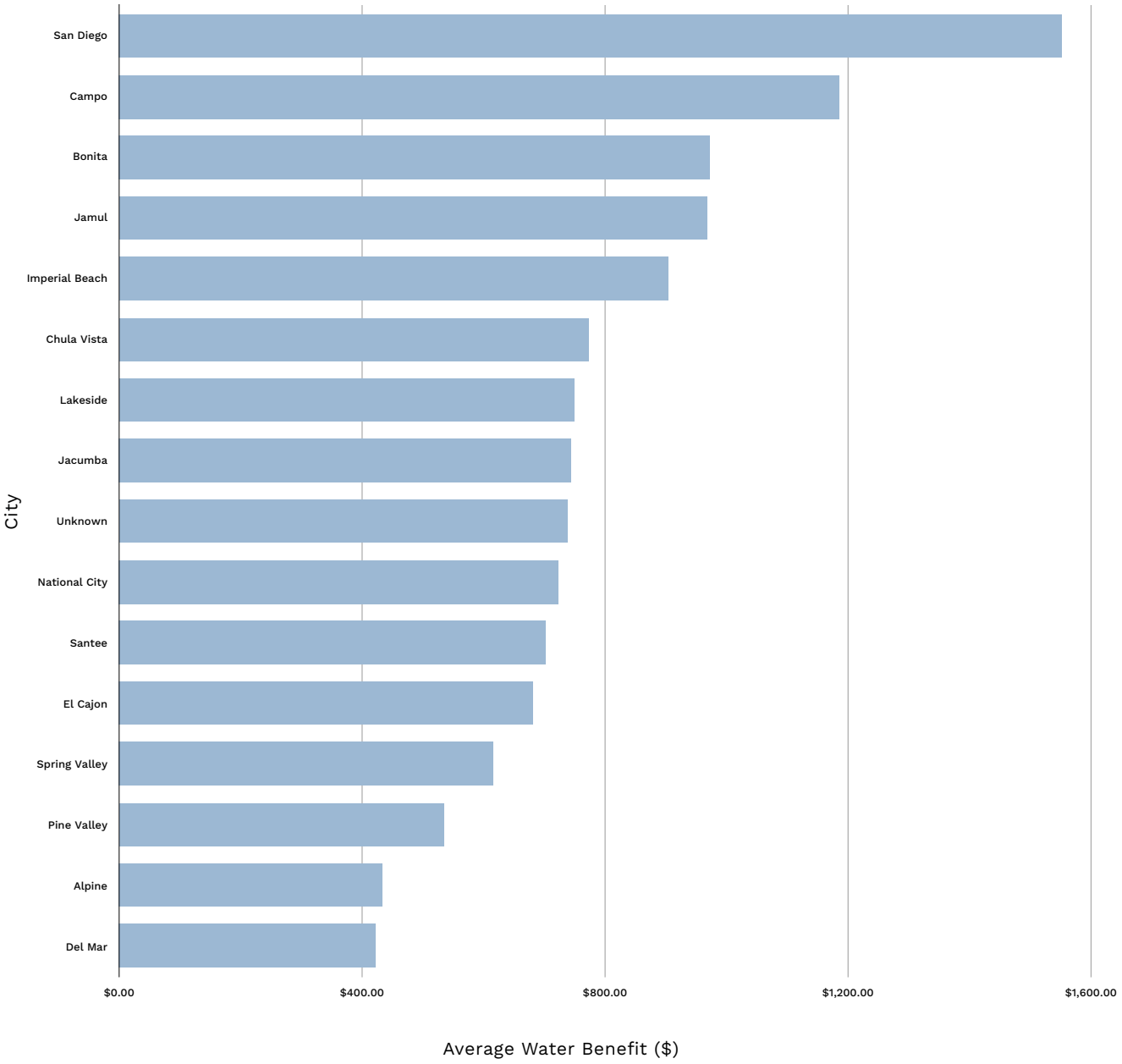


Figure 12: Households Served by MAAC: Average Water Benefit by Community in San Diego County

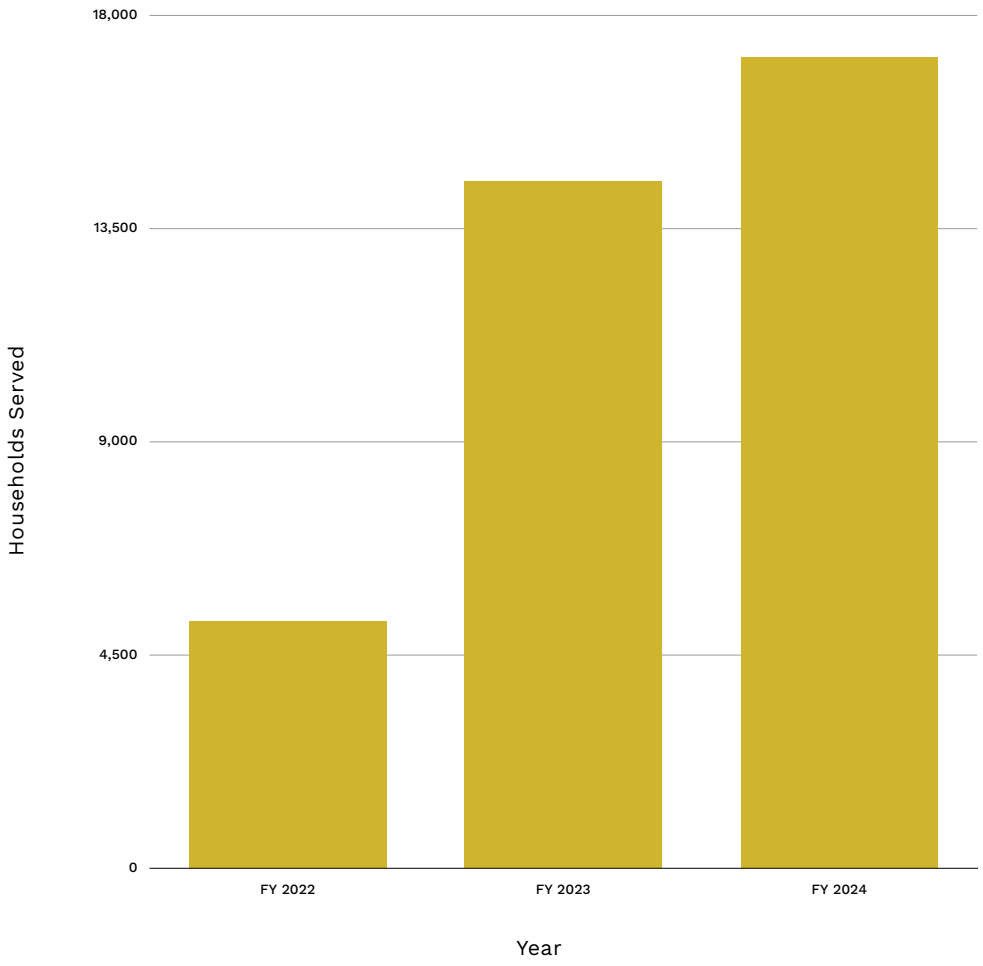


The overall pattern suggests a concentration of water assistance needs in the county's larger urban areas. The distribution of water assistance funds also reflects variations in application rates, outreach effectiveness, household size and median income, zip code eligibility, the cost of water across different water utilities, and whether water utilities were enrolled in LIHWAP across these communities.

ACROSS CALIFORNIA

California's LIHWAP program launched in June 2022 and was overseen at the state level in partnership with 41 LSPs, comprised of private nonprofits and local government entities.[54] California obligated 100% of its available funds, meaning all allocated resources were fully utilized. By the end of Fiscal Year 2023,[55] California had a total of 104,990 LIHWAP applicants and assisted a total of 91,958 households, an enrollment success rate of nearly 88%.[56] In California, the LIHWAP program provided financial assistance to households for their current or past-due water bill(s), restoring water services, preventing disconnections, and reducing water rates for many households. By the end of Fiscal Year 2024, LIHWAP prevented 17,100 households from getting their water service disconnected, a key operational priority of this program (see Figure 13: LIHWAP Prevention of Disconnection in California (FY 2022-2024, Cumulative).

Figure 13: LIHWAP Prevention of Disconnection in California (FY 2022-2024, Cumulative)[57]



It is difficult to compare states directly to each other in terms of how much money they spent and how many households they served, because the timing of program rollout and application acceptance differed by state. For example, North Carolina began accepting LIHWAP applications earlier, on December 1, 2021. By Quarter 2 of 2022, the state had already assisted over 21,000 households and distributed over $6 million in benefits. This gave the state of North Carolina more time to enter into agreements with 393 water and wastewater service providers—representing 75% of all providers in the state— and contributed to its ability to serve a total of 130,383 cumulative households over the program's duration.[58] Meanwhile, Californians had to wait longer to see water bill relief as the state did not begin accepting applications until June 2022. The additional seven months to roll out the program may have been due to the large population and number of water utilities in California compared to other states, however timing and strategic partnerships play a critical role in maximizing the impact of LIHWAP.

This section looks at California's LIHWAP performance. It provides an analysis of the 41 Local Service Providers (LSPs)[59] that implemented LIHWAP in their respective counties, focusing on allocations and expenditures, households served, and the average water assistance benefits as of the end of FY 2022 and June 2023.

We analyzed the number of households served by LIHWAP per county to understand the need for water assistance across California (see Figure 14: LIHWAP Households Served in Each County in California (by June 2023). Our analysis of household service delivery across California counties reveals a wide range of implementation success, with some larger counties like Riverside and Los Angeles demonstrating higher numbers of households served, while many counties served a notably lower number of households. Riverside County served the largest number of households, nearly 6,700 by 2023, while Inyo and Mono County served three.

One of San Diego County's LSP's, MAAC, impact is particularly evident in its service delivery, successfully assisting 1,540 households by the end of June 2023 (see Figure 14: LIHWAP Households Served in Each County in California (by June 2023). Orange County, with a similar population size to San Diego County, served a comparable 1,496 households during the same period, although San Diego County had a higher average water assistance benefit per household - averaging $841 compared to Orange County's $737 (see Figure 15: LIHWAP Water Assistance Benefit Per Household Served (by June 2023).

Figure 14: LIHWAP Households Served in Each County in California (by June 2023)[60]

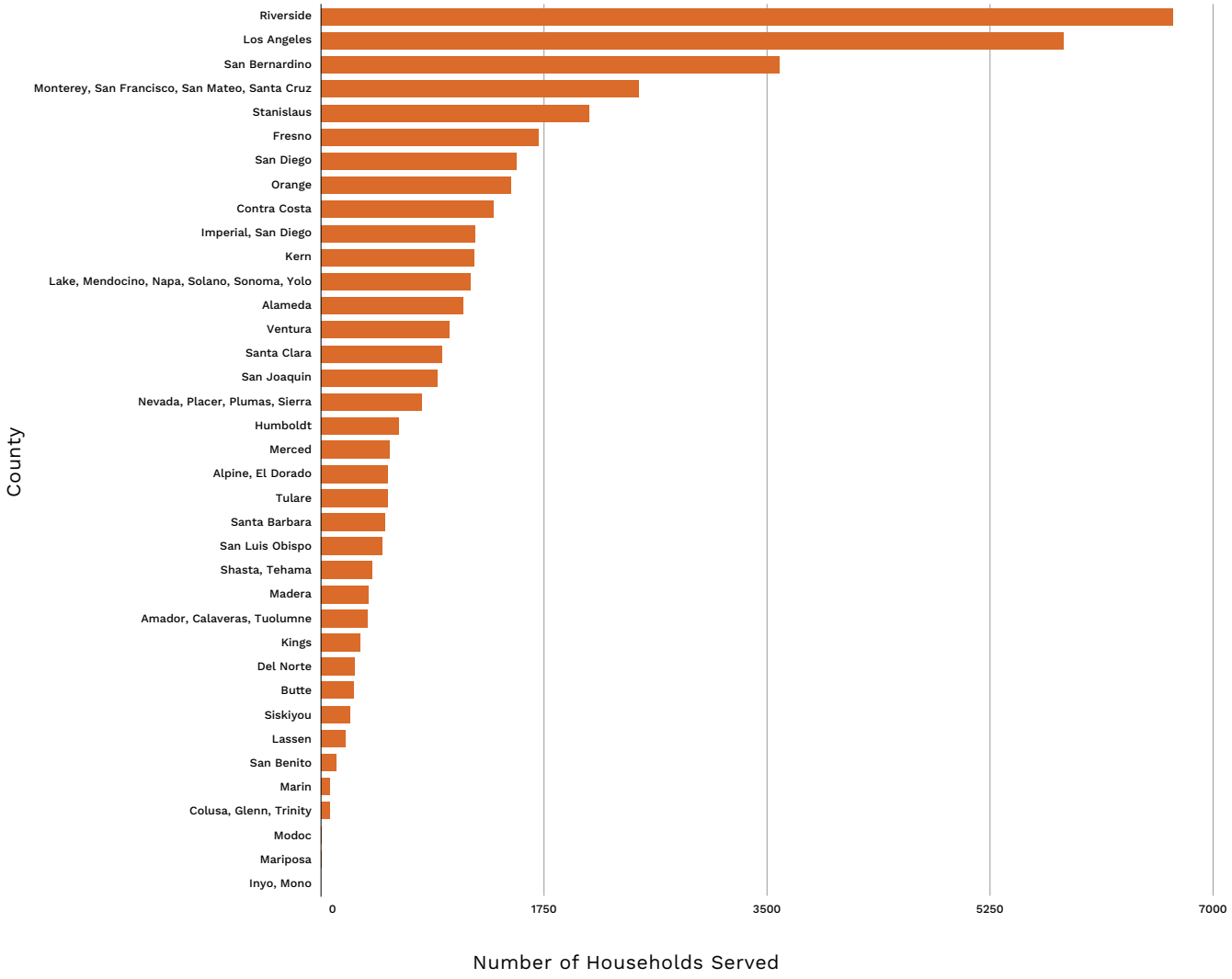
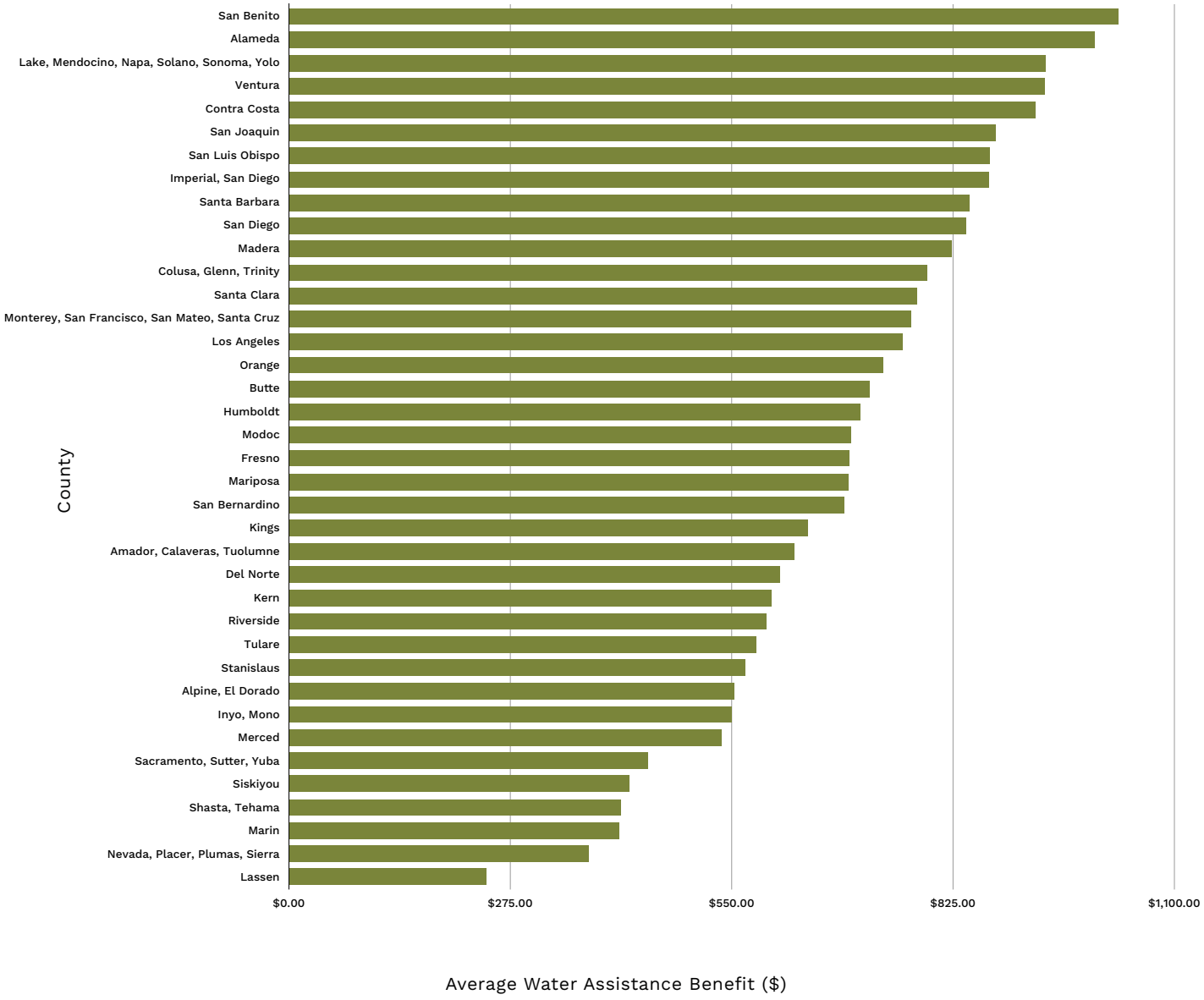
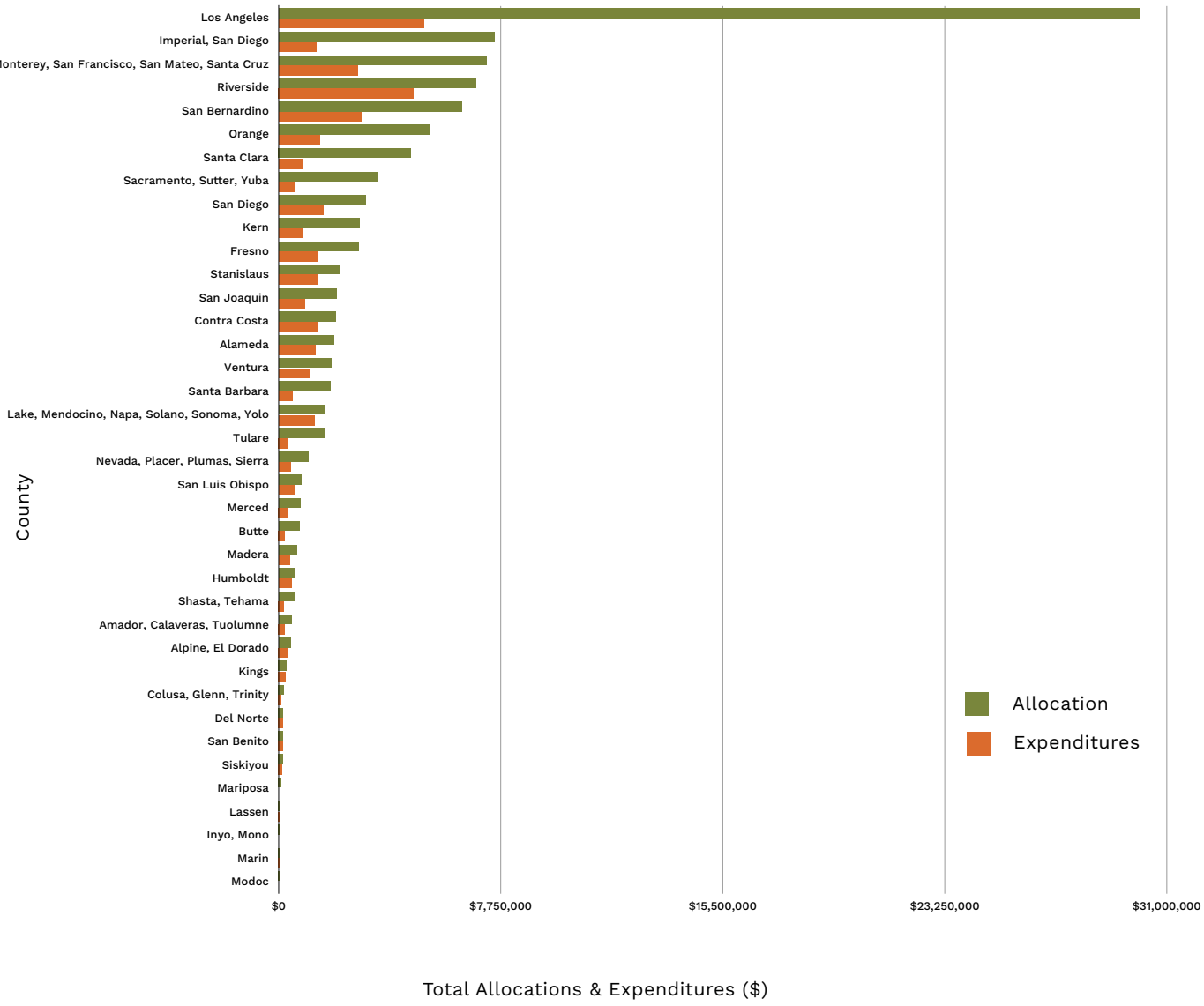


Figure 15: LIHWAP Water Assistance Benefit Per Household Served (by June 2023)[61]



We analyzed the total allocations and expenditures by county across California to evaluate the implementation progress of LIHWAP funds and overall program implementation. Our findings reveal notable variation in fund allocations among counties, with some receiving substantially higher allocations than others (Figure 16: County-Level Allocations and Expenditures in California). These variations were driven by factors such as population density, the number of eligible households, and regional water affordability challenges. Certain areas, like Los Angeles County, that served a high number of households also had a significantly higher LIHWAP allocation compared to smaller or less populous counties. This is consistent with the higher demand for assistance in areas with dense populations and greater water debt challenges. Additionally, the percentage of funds spent differed across counties, largely influenced by the number of applicants and households served in each region.

Figure 16: County-Level Allocations and Expenditures in California[62]



Assessing LIHWAP program implementation across California counties can help water agencies and policymakers in creating future water customer assistance programs. It will help them understand how different implementation approaches relate to enrollment and number of households served. Evaluating the performance of Local Service Providers (LSPs) managing California's LIHWAP requires a comprehensive examination of various aspects of program delivery and impact, including household outreach efforts, outreach effectiveness, the ratio of applications received to households served, application processing times, the efficiency of fund distribution, household water debt resolution, water assistance provided, and partnerships with water utilities. However, this level of detailed data is not available, and CSD has not yet released data from July 2023 to June 2024, which covers the program's full duration. As a result, conducting a comprehensive and fair analysis to evaluate the program's success remains challenging without the availability of this critical data.

What Comes After LIHWAP?

Although the LIHWAP program concluded in June 2024, water affordability remains an issue and the demand for customer assistance programs to support low-income households in paying water and wastewater bills remains high. Across the country, water agencies and policymakers at local, state, and federal levels are taking stock of the impact of the LIHWAP program and considering how customer assistance programs and other interventions can help address water affordability challenges.

PROPOSED FEDERAL LEGISLATION

In February 2024, US Senator Alex Padilla introduced legislation to create a permanent federal LIHWAP program entitled the *LIHWAP Establishment Act*.[63] This legislation would direct HHS, in consultation with the Environmental Protection Agency (EPA), to permanently establish a Low Income Household Water Assistance Program to assist households with lower incomes in paying arrearages and other rates charged for drinking water or wastewater services.

PROPOSED STATE LEGISLATION

In 2024, State Senator Durazo introduced "SB 1255 - *Public water systems: needs analysis: water rate assistance program.*"[64] SB 1255 would have required: "a retail water supplier that serves over 3,300 residential connections to establish a water rate assistance program (WRAP) to help eligible low-income customers pay their water and wastewater bills, with funding from voluntary contributions paid by other customers through charges on water bills; and requires the State Water Resources Control Board (SWRCB) to conduct a needs assessment for a similar program for low-income customers of smaller water suppliers." While this bill did not pass committee in the 2023-2024 legislative session, similar legislation has been introduced during the 2025 -2026 session, including AB 532 and SB 350, to create Water Rate Assistance Programs.

LOCAL CUSTOMER ASSISTANCE PROGRAMS

In California, local customer assistance programs are limited by Proposition 218, which Karen Pearlman of the San Diego Union-Tribune noted "largely governs how California public agencies set water rates", and "does not allow agencies to use water bill revenue to create financial assistance, low-income or other programs that discount water bills for customers. However, if an agency has revenue from other sources, it can use those funds to establish a customer assistance program." [65]

A few local water agencies in the San Diego region have implemented customer assistance programs in recent years that are funded by non-rate revenues as required by California law.

- Helix Water District[66] launched the Helix Helps program in April 2021, following the sale of surplus land owned by the water district, providing approximately $500,000 in program funding. The program offers a "one-time credit of up to $300 to help Helix Water District's residential customers who live in a single-family home, are behind on their water bill and can demonstrate loss of income due to the COVID-19 pandemic."

- Sweetwater Authority also launched their first-ever Low-income Customer Assistance Program in September 2024 after researching and presenting options for program design to the Governing Board in April 2024.[67] The program budget of "approximately $500,000 per year that can assist around 4,000 households with their water bills" will offer up to $120 per year or "six $20.00 credits over six consecutive water bills" to income-qualifying households with verification of participation in San Diego Gas & Electric's CARE program or income provided as options to enroll in the program.[67]

- City of San Diego's Help 2 Others (H2O) program is funded through charitable donations to help qualifying customers with up to $100 credit on their water and wastewater bills per twelve month period.[68]

These are just three examples of water districts creating customer assistance programs that make use of other revenue sources to help households with their water bills. This type of creative approach to local customer assistance program delivery is needed given regulatory constraints on how water rates are set.

Findings

The temporary LIHWAP program offered a lifeline to households struggling to pay their water bills, relieving financial pressures and the threat of disconnection.[69] Now that the LIHWAP program has concluded, agencies are in a unique moment to evaluate and reflect on the impact of the program for San Diegans and how this or similar customer assistance programs could be designed to maximize impact in the future. While many of the circumstances around the San Diego case study and analysis are specific to our region, there are applications to other metro areas and across the country that are important not only for policy implications for a LIHWAP-style program in the future but also other ratepayer assistance programs. The research points to a few important findings:

SMALL GRANTS, BIG IMPACT

The LIHWAP program in California initially offered a maximum water assistance benefit of $2,000 per household. However, with the program's deadline extension, MAAC, one of San Diego County's Local Service Providers (LSPs), increased the maximum benefit to $15,000 to better meet applicants' needs. Analysis of MAAC's LIHWAP participants showed that, on average, households received $1,019 in assistance for their current or overdue water bills, with benefit amounts ranging from $74 to $15,000. This distribution pattern indicates a program design focused on addressing household water debt equitably, with higher assistance provided to those with greater debt. A survey of MAAC clients conducted by PIC confirmed that the level of assistance participants received closely aligned with the amount of water debt they had, reflecting the program's targeted and responsive approach.

CATALYZING EVENTS: LOSS OF A JOB, MEDICAL EMERGENCIES, AND OTHER DISRUPTIVE EVENTS CONTRIBUTE TO HOUSEHOLD WATER DEBT.

In our focus groups, we found that participants often experienced a catalyzing external event that created the need for LIHWAP assistance. Many participants identified a health problem or losing their job as a catalyzing factor contributing to their need for support to pay their water and wastewater bills. Participants saw the help they received from LIHWAP as a one-time bridge that helped them catch up.

Beyond COVID-19, households can still suffer from health impacts, emergencies, job loss, and other disruptive events: customer assistance programs can be a lifeline for economically vulnerable residents during disruptive events. Utilities that can provide financial resources—or other support— can help households stay current on their water bills and prevent disconnection. This is financially beneficial for water districts and for customers.

WATER CONSERVATION IS NOT ENOUGH: PROGRAM PARTICIPANTS ARE CONSCIOUS ABOUT SAVING WATER BUT STILL HAVE HIGH WATER BILLS.

Survey respondents identified the importance of water conservation and water efficiency and routinely took steps at home to reduce water use. The three most common conservation methods were reducing water when bathing, hand-washing clothes, and hand-washing dishes. Although some of the methods they used may inadvertently use more water than expected, focus group participants noted that they were cautious about water use and compared their current water use to their past water use.

Recipients of the LIHWAP funds indicated that they were conscious about trying to minimize their water bills. However, while conservation strategies can help slightly reduce individual household bills, they do not address the fundamental problem: at scale, reducing water use raises rates, because there are fewer units of water to spread fixed costs across. (For more on this topic, see the forthcoming Water Affordability Report)

Policy Considerations for Future Programs

Based on this work, if county, state, or federal leaders want to implement this or a similar program in the future, this project's findings about this temporary program can shape discussion. We have identified five areas for policy consideration that are summarized here and described in more detail:

1. Clarify and align program goals
2. Streamline fund allocation and program design
3. Improve outreach and engagement
4. Address data and system gaps
5. Integrate assistance programs

1. CLARIFY AND ALIGN PROGRAM GOALS

Understanding the goals of ratepayer assistance programs is critical to their success. LIHWAP aimed to alleviate water debt for struggling households, and future programs should include metrics to evaluate success. Metrics are critical to evaluating programs for continued funding and support. Important questions to consider include:

- How much water debt was eliminated?
- Did assistance stabilize families' financial situations?
- How many participants remained current on water bills after receiving aid?

It will be important for future programs to address the root causes of high water bills, such as infrastructure issues, leak-prone pipes, etc. while also exploring durable solutions for affordability. Future water affordability programs should consider how best to:

- Reduce water debt and keep families current on bills.
- Support utilities in maintaining financial stability while addressing aging infrastructure.
- Develop comprehensive metrics to evaluate program success over time.

2. STREAMLINE FUND ALLOCATION AND PROGRAM DESIGN

The process of allocating funds directly impacts the reach and efficiency of assistance programs:

- **Coordinated Administration:** As many participants articulated during the surveys, they were also eligible for other entitlement programs (SNAP, etc.) and often worked with other organizations or governmental entities to obtain benefits. We found that there was duplication of efforts with similar assistance programs, including paperwork, education, and outreach. Streamlined and coordinated administration could help reduce confusion and ensure equitable access to several essential assistance programs.
- **Water Utility Enrollment:** California used the local service provider approach like the LIHEAP program, with CUI and MAAC responsible for implementation in San Diego County. In addition to household outreach, the LSPs also had to coordinate with the more than two dozen water and wastewater agencies in San Diego to enroll their agency in the program. Most agencies did in San Diego, but a few did not, making their customers ineligible to participate in the LIHWAP program even if households otherwise met the eligibility criteria.
- **Block Grants to Utilities or Regions:** Requirements for states to apply and develop an Implementation Plan added to the administrative burden and timeline for implementing this program. While funding was authorized in December 2020 and March 2021, States, territories, and tribes had until October 2021 to apply for funding. In California, the allocation of funds to LSPs did not occur until June 2022, at which point they could begin accepting applications from eligible households - nearly 15 months after the funding was authorized.

Allocating funds as block grants to utilities can simplify disbursement and reduce administrative burden. This would allow water agencies to identify customers who meet eligibility criteria and directly disburse funds on a customer's water bill rather than requiring households to learn about and then apply for the program. While this puts the onus on utilities, this approach could reduce the amount of outreach and application processing resources needed and allow a greater share of the resources to be applied to household benefits.

While some utilities—particularly smaller agencies—may not have the staff or financial resources to administer a customer assistance program independently, a regional approach could ensure smaller utilities and their customers are included.

3. IMPROVE OUTREACH AND ENGAGEMENT

Outreach and engagement were necessary to ensure participants signed up for the program. LIHWAP funds included support for outreach and engagement as an eligible expense. However, some survey respondents had never heard about the LIHWAP program even though they would have been eligible and were already engaged with the organization administering it. This shows the difficulty of creating a new program; if the program is made permanent, we imagine that will increase the likelihood that eligible participants will have an opportunity to benefit.

Focus groups shared that 2-1-1 was the most common way to find out about the program, but other sources of information included social workers, outreach websites/emails, childcare providers, fliers posted in the community, customer service agents for the water utility, information on the water bill, a community resource organization, and the news.

Effective outreach ensures eligible households are aware of and can access assistance:

- Use a mix of channels, including social media, 2-1-1 hotlines, fliers, and utility bill inserts. Survey participants mentioned that additional social media postings (particularly on Facebook), fliers at libraries, and mailers to potentially eligible households could be effective for outreach and engagement. Continued funding to promote awareness about assistance programs will be necessary.

- Invest in outreach efforts that reflect community needs. Survey data revealed gaps in awareness of the root causes of high water bills, highlighting the importance of sustained engagement for long-term programs. PIC survey results revealed that only 36 percent of all respondents were familiar with LIHWAP.

4. DATA AND SYSTEM GAPS

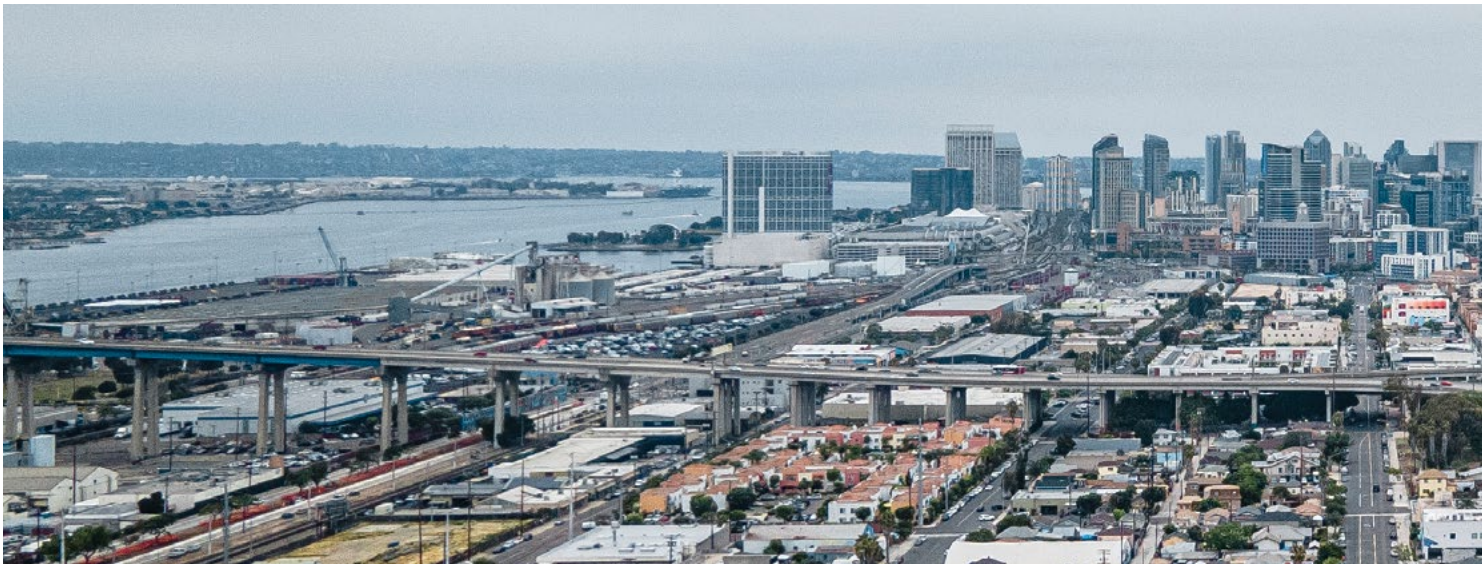
The LIHWAP program highlighted that reliable data and modern systems are essential for program success:

- Upgrade utilities' accounting systems to identify eligible customers and track outcomes effectively. The program's objective was to reduce water debt; however, that was not a metric tracked by any of the assistance providers. Utilities also need to have the staffing and capacity to participate in the program and to accurately track who has water debt. Additionally, some utilities track multiple services (e.g., trash) as part of one combined utility bill making it difficult to separate and track the proportion of the bill for water costs. This makes data on water debt, and therefore the impact of programs aimed at reducing water debt, very difficult to track.
- Share data between utilities and administrators to streamline eligibility determination and fund disbursement.
- Prioritize smaller or rural utilities that may lack the capacity to participate without additional support. At least one utility In San Diego did not participate in the program, meaning that eligible San Diegans were unable to receive assistance.

5. INTEGRATE ASSISTANCE PROGRAMS

Participants eligible for LIHWAP often qualify for other programs like LIHEAP or SNAP. Future efforts should consider how to:

- Bundle benefits into a single application or portal to reduce administrative burden.
- Coordinate messaging to increase awareness or referrals to programs with similar eligibility criteria, simplifying access for eligible families.

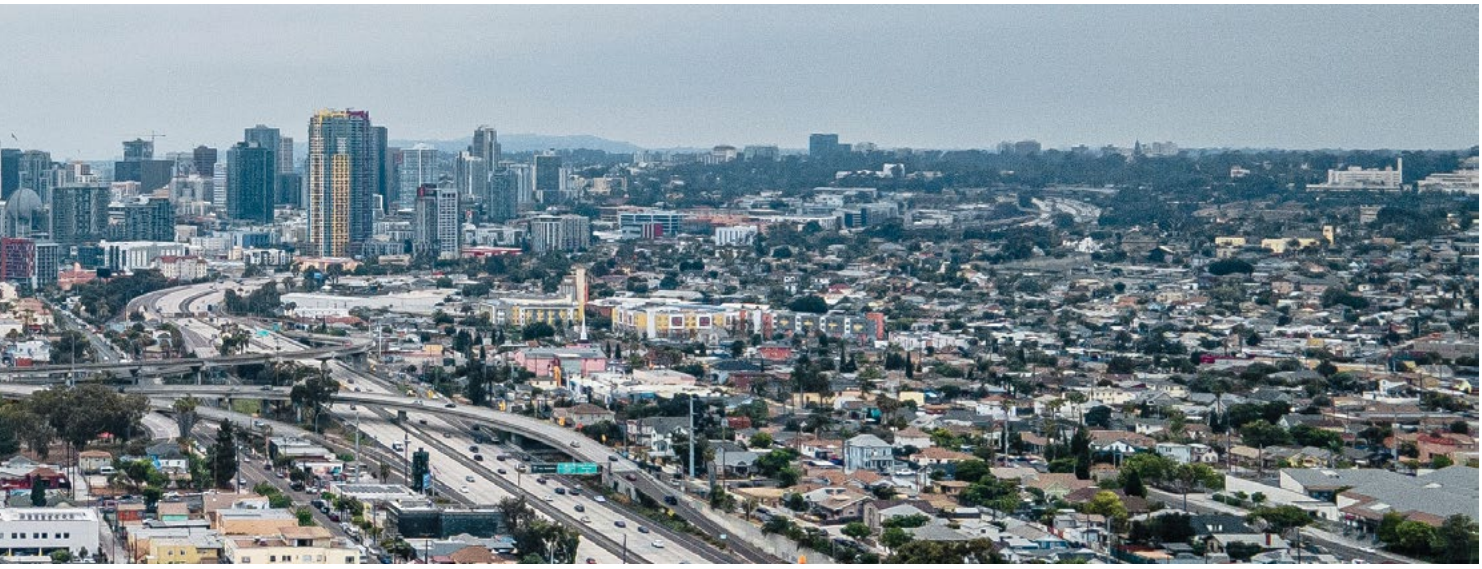


Future Research Opportunities

This work revealed several future research opportunities. National and state data would allow us to evaluate broader trends. In addition, the local data we obtained did not cover the entire program through June 2024. When that data is available, it may reveal additional patterns or validate our findings.

Focus group participants noted that automatic eligibility for SNAP participants made it easy to apply. If SNAP eligibility is subject to substantial changes in the future, programs (like future utility assistance programs) that benefit from automatic eligibility through SNAP may result in lower application rates.

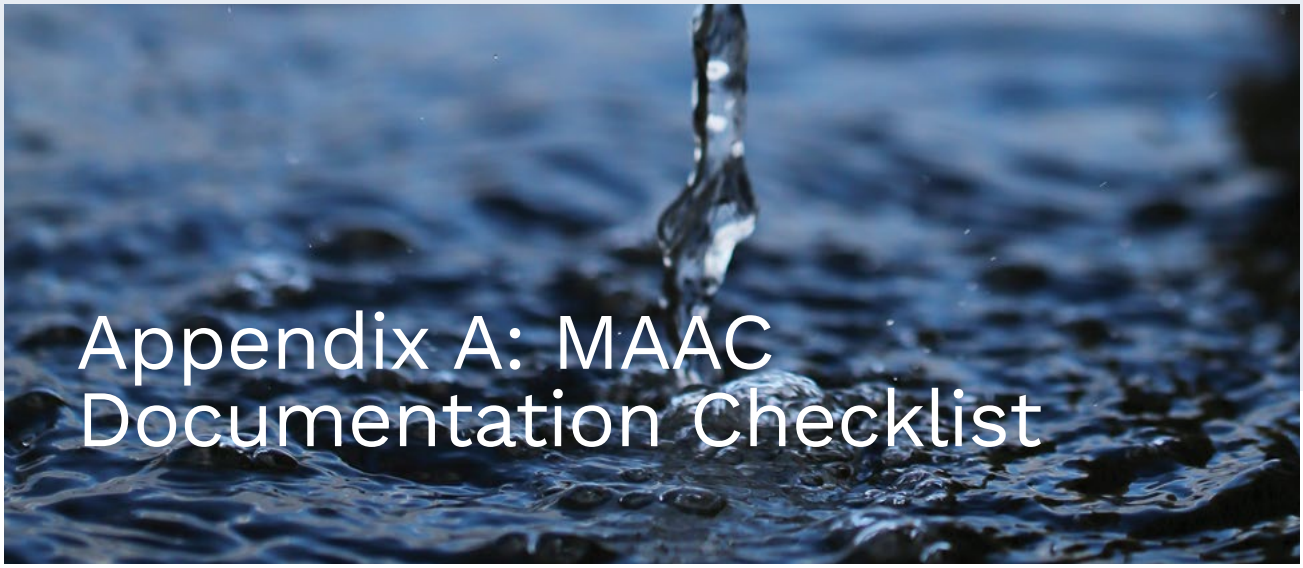
Finally, further analysis of the timeline in which people applied for funding and when they were credited on their bill would help to understand program implementation. The timeline is supposed to be 45 days or 1-2 billing cycles, but there is undoubtedly a variance in how these funds are expended and whether that leads to delays in households receiving assistance.



Conclusion

LIHWAP's performance highlights the critical role of emergency assistance in stabilizing households and supporting utility operations. Future water assistance programs should build on these lessons, emphasizing streamlined design and implementation, robust outreach, data integration, and greater spending flexibility to address causes - like a water leak - that impact affordability challenges. A focus on sustainable solutions will ensure that programs meet the needs of vulnerable populations while maintaining water systems' long-term viability.

However, it is likely that water rates will continue to climb, and that water affordability will remain a challenge for many families. Utilities need to invest in new infrastructure to address reliability and safety, and to be resilient to climate change. A modified version of the LIHWAP program could be a beneficial short-term/mid-term program as a bridge as water agencies work on more durable solutions for making necessary infrastructure investments and addressing water rate affordability (see PIC's forthcoming Water Affordability report).



Appendix A: MAAC Documentation Checklist

Low Income Household Water Assistance Program Document Checklist
Please see the chart below for a list of documents that are accepted for each eligibility criterion.

Eligibility Criteria	Documentation Accepted
Verification of Identity (Expired ID's are still accepted within a year of their expiration dates, and for seniors over 60 years old, expired ID's are valid regardless of their expiration dates)	• State identification (ID) card • Tribal identification (ID) card • Driver's license • U.S. passport or passport card • U.S. military card (front and back) • Permanent Resident Card • Certificate of Citizenship • Certificate of Naturalization • Employment Authorization Document
Jurisdiction (MAAC is the service provider for certain zip codes. Visit our website to review the list if zip codes in our service area: maacproject.org/lihwap) *Important note: your water and/or wastewater provider must also be enrolled in LIHWAP*	• ID or water/wastewater bill with address located in MAAC's service area
Past Due Debt (Must have past due balance on the water/wastewater account or if utilities are included in rent, must have past due rent)	• Water and/or wastewater bill with past due balance • Delinquency notice • If utilities are included in rent, past due rent notice
Income (Household income is at or below 60% of the State Median Income: csd.ca.gov/waterbill OR a member of the household is a current recipient of CalFresh, CalWorks, or LIHEAP (last 120 days)) *Important note: if a member of the household us a current recipient of CalFresh, CalWorks, or LIHEAP (last 120 days) and you submit documentation to verify benefits then you still self-report household income in the application but do not need to verify household income.*	*Household income verifying documents:* • Last two paystubs • 2021 tax returns or Form W-2 • Unemployment benefits letter • Other unearned income documents such as S SI benefit letter OR • LIHEAP benefit approval letter • CalFresh benefit letter • CalWorks benefit letter
Additional Documentation if Utilities is Included in Rent	• Rental/lease agreement; applicant must be listed in the rental/lease agreement • Water and/or wastewater bill for the property occupied by the applicant; must request the bill from the landlord • Landlord Agreement completed and signed by the landlord; agreement form was attached to the email

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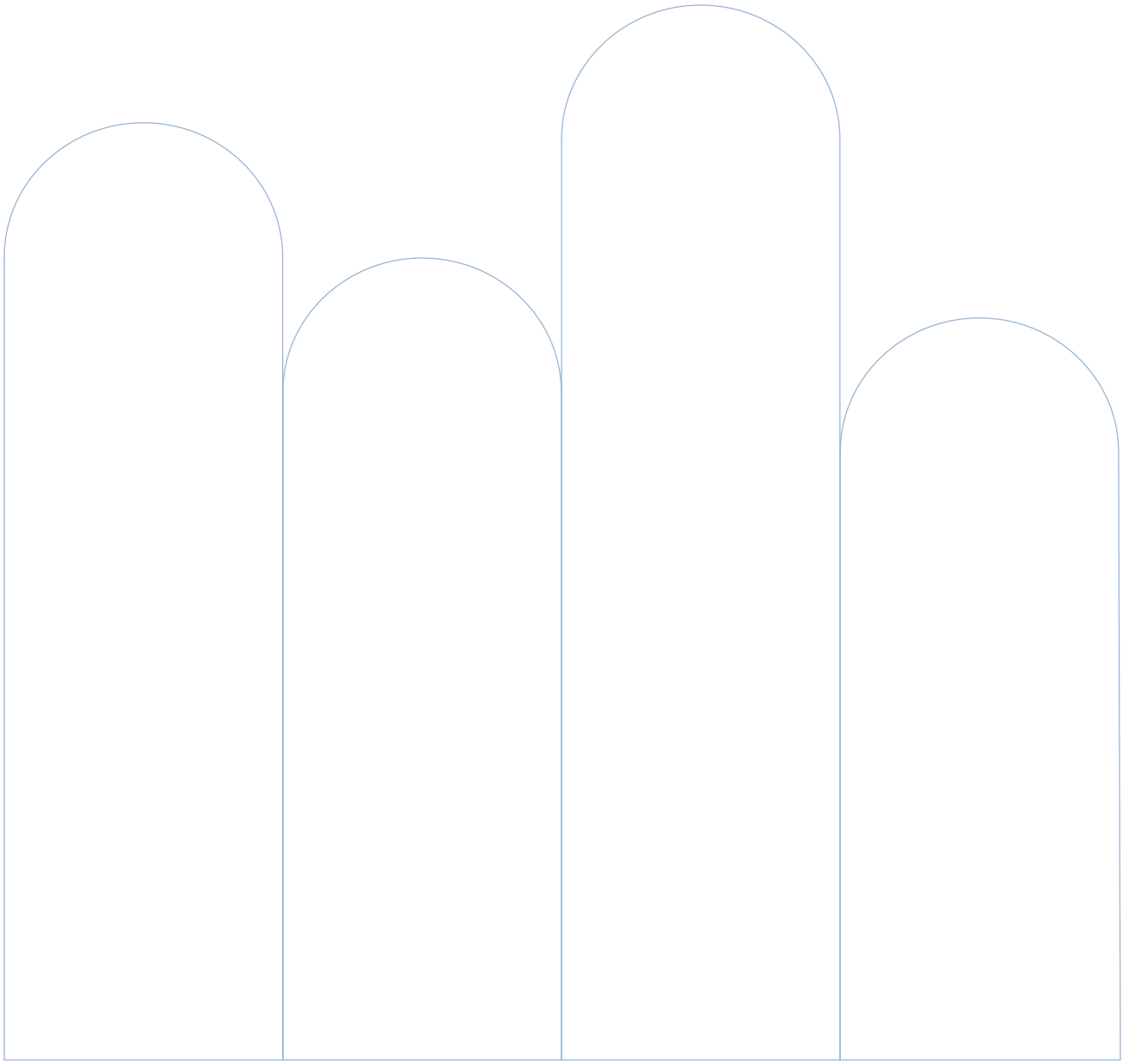

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