

July 8, 2021

VIA EMAIL

Kenneth Boswell, Director
Alabama Department of Economic and Community Affairs
P.O. Box 5690
Montgomery, AL 36103-5690

RE: LIHWAP public input

Dear Director Boswell,

On behalf of the undersigned organizations, I am writing to share comments and recommendations regarding the development of the Low-Income Household Water Assistance Program (LIHWAP) in Alabama. As you are aware, the funding for LIHWAP was appropriated by Congress in 2021 and is being directed to states through the U.S. Department of Health and Human Services (HHS). As member-based organizations, many of which work with low-income communities and individuals who desperately need this assistance, we hope you will consider our concerns and suggestions as you develop the plan to disseminate the funds in an effective, efficient and equitable manner.

After corresponding with you via email recently, I understand that your office is currently drafting the plan for the program in our state and that the plan will be put on your website for public review and comment. I also understand that you are coordinating with Community Action Agencies and water utilities in the development of the plan and that it is intended to mirror the LIHEAP program. With that in mind, we propose the following suggestions and questions for your consideration.

1. According to the model plan¹ released by HHS, anyone eligible for certain existing programs is eligible for the LIHWAP program. It states that automatic enrollment of these categorically eligible applicants is allowed. We strongly recommend this option to streamline the process and get the funding to those who need it as timely as possible. This funding was specifically appropriated to assist those who have suffered water debt and shutoffs as a result of the COVID 19 pandemic which has now been going on for more than a year. Anything that can be done to expedite the dissemination of these funds is essential. For customers who are not already in one of the existing programs, we recommend using community groups like those listed on this letter and others local resources like churches to help raise the most public awareness about the new program. Government websites and news sites are important but are not the most effective public awareness tools. We recommend using social media and all available tools at your disposal for public awareness of this program.
2. We recommend the program allow organizations that are already familiar with and participating in existing assistance programs to also be part of the plan for disseminating these funds. Many groups in the state, including Greater Birmingham Ministries that is signed onto this letter, have

¹ The model grant implementation plan provided by HHS is available at https://www.acf.hhs.gov/sites/default/files/documents/ocs/COMM_LIHWAP_Model%20Plan%20States%20_FY2021.pdf

worked closely with LIHEAP program recipients and other direct service assistance programs. While this is a very valuable program and plays an important role in assisting low-income electric utility customers, some groups have expressed concerns about the timing of getting the assistance to customers. If there is already difficulty in the timely administration of the LIHEAP funds, we have concerns about how the agencies will handle the influx of this new program and how long it will take customers to apply and receive assistance. Losing access to clean water is quite a different thing from being without electricity for a period of time. Water is essential for our lives and health. Increasing the number of organizations and agencies that can help identify eligible customers and disseminate funds will help relieve stress on already stressed agencies.

3. Another question posed by HHS on the model plan deals with describing the breadth of the need for these funds across our state and how ADECA will prioritize the use of the funds. Examples include (e.g. immediate restoration of services to households without current water services, immediate payment of existing arrearages to prevent disconnection of drinking water or wastewater services after a previous moratorium on water services due to Covid-19). We recognize the need for these funds likely far exceeds the funding available, so prioritization of those in greatest need is of utmost importance. We believe that restoration of services should be the highest priority. We strongly encourage you to include grassroots community-based organizations and individuals who are eligible for these funds to be a part of the conversation when determining these priorities.
4. We are concerned about tenants whose landlords are in arrears. We would like to understand how the plan will consider their needs in this program.
5. How will the program determine benefit levels? We do not believe the funds will cover the full need in the state and would like to know if there will be benefit caps for each priority area. This is an important area for public involvement. We recommend capping funds to allow the money to assist more people. Additionally, we recommend that anyone enrolled in the program should be protected from further shutoffs for at least 12 months from the time of enrollment and that reasonable payment plans should be coordinated with customers in order to assist in further debt relief where assistance funds are not enough to cover the customers full arrears.
6. The LIHEAP program works with a handful of electric utilities, but this program will be coordinating with hundreds of water utilities across the state, many of which are small and thinly staffed. How does the plan accommodate that significant challenge with the administrative side of implementation?
7. Meeting the needs of low-income households should be the first priority for this funding, not making whole the water utilities. We understand that some water utilities are struggling with loss of revenue due to the pandemic, and we recommend that other funding must be allocated to help them recover, but this funding is first and foremost about getting clean and affordable water to people who need it. We strongly discourage giving lump sums to utilities to disperse at their discretion.

In addition to the above priorities, the model plan poses many of the questions we believe need to be carefully considered in the development of this plan, and we look forward to commenting on these when the draft plan is released on your website. Other general areas of concern we hope you will consider are how the public can have an ongoing role as this program rolls out. Receiving feedback from

actual participants in the new LIHWAP program and the organizations that directly serve them is essential to understanding if the need is being met effectively.

Our organizations would like to be a resource for your agency, the Community Action Agencies, and the water utilities. Please feel free to contact us with any comments or response to this letter or any announcements about the draft plan.

Thank you for your time and consideration of these comments.

Sincerely,

Cindy Lowry
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Alabama Rivers Alliance

Dev Wakely
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Alabama Arise

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Cahaba Rivers Society

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