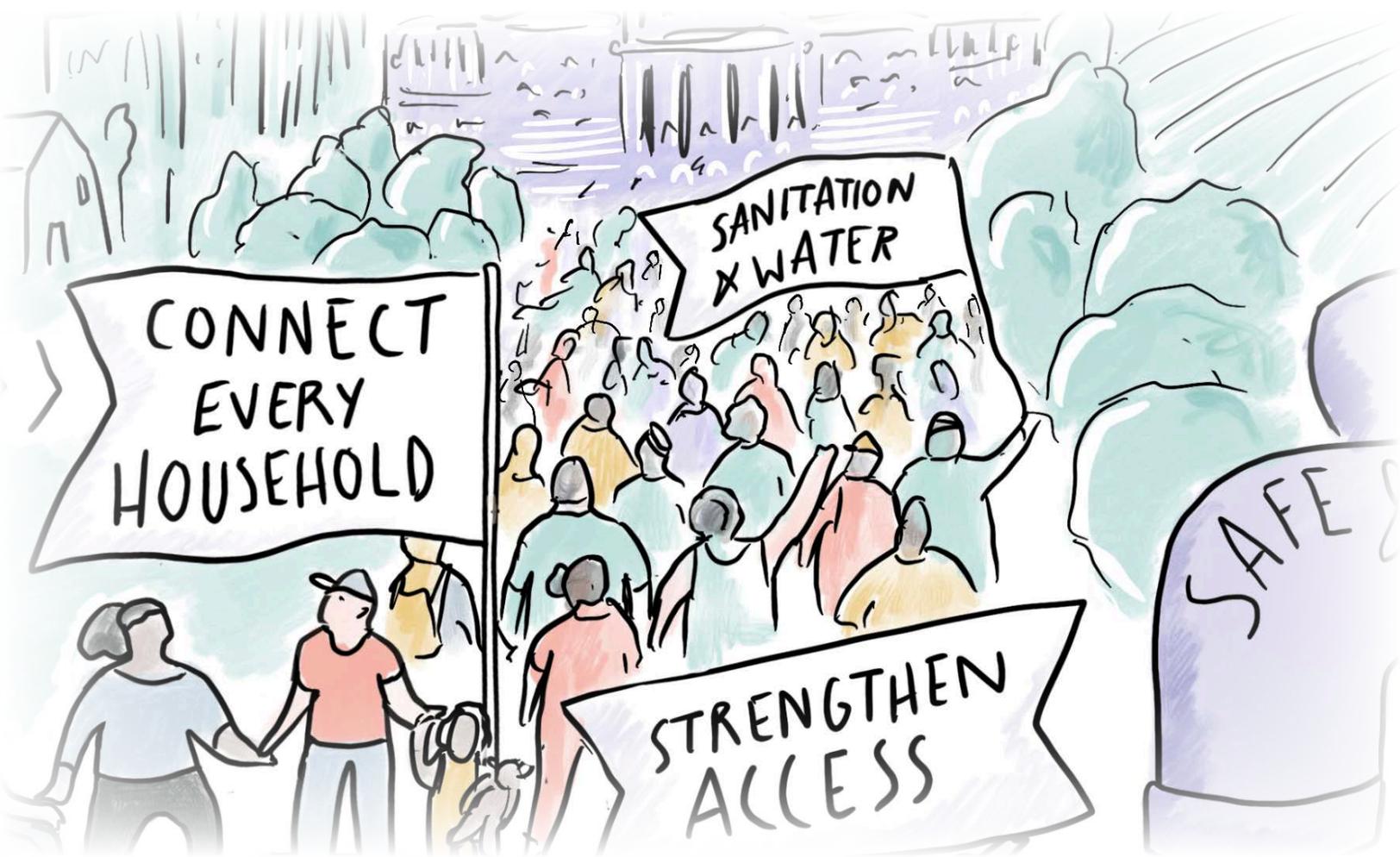


THE COMMUNITY TASK FORCE FOR WATER EQUITY

RECOMMENDATIONS ON A NATIONAL
HOUSEHOLD WATER ASSISTANCE PROGRAM



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HOUSEHOLD WATER ASSISTANCE PROGRAM

July 2022

For more information, visit:
www.ourwatersecurity.org/ctf

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WELCOME

Dear Water Community Member, Advocate, or Water Customer:

When Congress voted to create a pilot Nationwide Household Assistance Program, it signaled a new commitment—albeit a limited one—to protecting water access for families across the country.

During the Covid-19 pandemic, a combination of new water shutoff moratoriums and a limited program to clear delinquent bills kept the water running in many American homes. This unprecedented moment provided a clear chance to reset our national approach to water access.

Our organizations capitalized on this opportunity through the Community Task Force on Water Equity, an effort to empower real people from impacted communities to craft standards that can protect households through a federal water assistance program.

The CTF is built on a powerful core belief: that every person should have access to water in their home. It was also built on the recognition that customers and advocates representing their communities—particularly those from smaller, frontline organizations—are often underrepresented in discussions around water equity at the national level. We sought to create a process that would result in actionable recommendations, while simultaneously raising up key voices from underrepresented communities across the country.

The community members within the CTF brought wisdom and insight gained from years of painstaking work in service of families who have been impacted by losing reliable access to clean, running water at home—a struggle that often results in persistent poverty, mental and physical health challenges, and even the loss of housing or child custody. Some have lived without water themselves. In creating this document, these community members were asked to conceptualize the framework for a National Household Water Assistance Program that would protect all people from these almost unimaginable harms.

These recommendations lay out principles, objectives and key components of an effective and protective National Household Water Assistance Program. Each of the recommendations is clear and actionable, and we hope that it will serve as a guide for legislators, policymakers, civil society leaders, and community advocates moving forward.

We are grateful to each person who supported this project with their insight and innovative thinking. We feel honored to have had so many community leaders in one room debating these questions passionately.

Echoing a core finding of these recommendations: every person deserves access to the water they need to live with health and dignity. These recommendations, when implemented, will take us one giant step closer to achieving that dream.



Alexandra Campbell-Ferrari

Co-Founder and Executive Director, The Center for Water Security and Cooperation and Managing Director, Community Task Force on Water Equity



George McGraw

Founder and Executive Director, DigDeep

ACKNOWLEDGEMENTS

TASK FORCE MANAGEMENT

The Community Task Force for Water Equity was supported by members of the Center for Water Security and Cooperation and DigDeep:

Alexandra Campbell-Ferrari, CTF Managing Director (CWSC), Luke Wilson, CTF Advisor (CWSC) and Jennifer Hyde, CTF Advisor (DigDeep).

We would also like to thank the many members of organizations, governmental bodies, community groups, water trade associations, and utility leaders who helped identify members of the CTF. Your nominations helped bring together a diverse, passionate, and deeply intelligent group of water advocates from all corners.

RECOMMENDATIONS AND REPORT

We would also like to thank those who provided comments on the draft recommendations, both those who did so as representatives of other organizations as well as the members of the public who commented. We are appreciative of your interest and your engagement, and we look forward to seeing you use these recommendations in your communities, your work, your utilities, and your organizations.

We would also like to thank the artist who provided the compelling and intricate mural that graces the center of this report and is featured throughout: Temujen Gunawardena. Your mural helps to convey the complexity of the challenges and the community cooperating to reach forward to a brighter future.

Finally, we are indebted to those who will take these recommendations and make them a reality. It takes the entire community to support the development of recommendations intended to change the discussion. Your support in bringing them to your communities and putting these ideas into action.

DISCLAIMER

The views and opinions expressed in these recommendations do not reflect the view of CTF members' employers, or the views of the views of the convening organizations, the Center for Water Security and Cooperation and the DigDeep Right to Water Project. These recommendations are a product of the CTF members' collective efforts and the recommendations should accordingly be attributed to the Task Force as a whole and not to any individual member.

INSTITUTIONAL SUPPORT

Lead Organizations



Organizational Special Advisors



TASK FORCE MEMBERS

The Community Task Force for Water Equity drew from community leaders and water advocates from across the country. Their dedication and hard work during this process is reflected in the recommendations that follow. The members of the Community Task Force were:

Robert Ballenger

Community Legal Services of Philadelphia
Pennsylvania

Mona Jacobs

Project BRAVO
Texas

Kyle Jones

Community Water Center
California

Monica Lewis-Patrick

We the People of Detroit
Michigan

Rebecca Malpass

The Water Collaborative of Greater New Orleans
Louisiana

Nina McCoy

Martin County Concerned Citizens
Kentucky

Willie Morgan

Southeast Rural Community Assistance Project
South Carolina

Briana Parker

Elevate
Illinois

isaac sevier

Initiative for Energy Justice
California

Jacqueline Shirley

Rural Community Assistance Corporation
New Mexico

Cheryl Watson

Equitable Resilience & Sustainability, LLC
Illinois

ALTERNATES*

Lydia Gottesfield

Community Legal Services of Philadelphia

Norrel Hemphill

Cecily McClellan

Deborah Taylor

We the People of Detroit

Laura Ponce

Project BRAVO

Booker Vance

Elevate

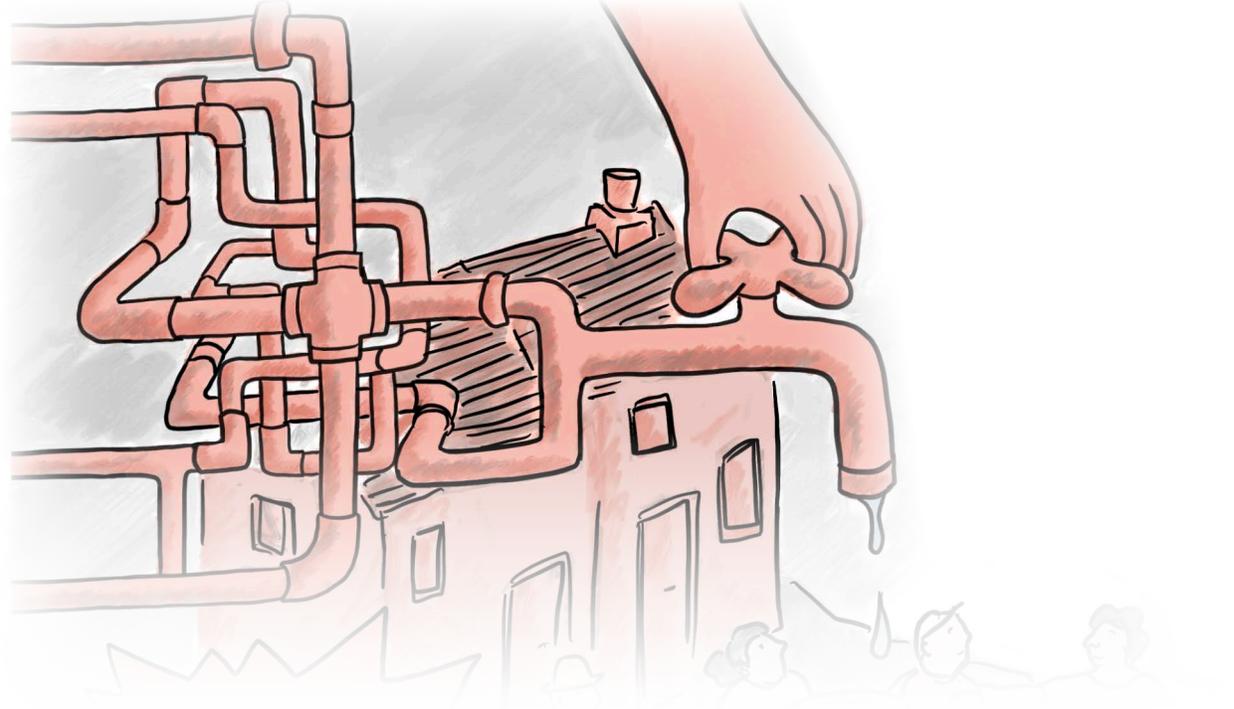
*Alternates were selected by the primary member.

HOW TO USE THESE RECOMMENDATIONS

While this document focuses on a nationwide program, the recommendations also have applicability outside of the federal government. This document can be a tool for a variety of stakeholders, including:

- **Congressional Leaders on Water Equity:** This document can serve as a roadmap for the creation of a national program protecting water equity, wherever it is housed inside of the government (Health and Human Services or the Environmental Protection Agency).
- **Federal Policymakers on Water Equity:** These recommendations can serve as the voice of the customers and communities that will benefit the most from a nationwide household water assistance program, and can help shape and guide a responsive and protective program.
- **State Legislators:** These recommendations should be a tool used to create statewide affordability and water equity programs, particularly those that work to support local and regional governments with finding funding and creating a strong and lasting structure for those programs.
- **Regional and Local Leaders (Mayors, County Executives, and others):** Many local leaders have an oversight or supervisory role over water provision in their city or county, and these community-based recommendations should serve as a guide for ensuring water equity among the people in a city, town, county, parish, or area.
- **Local and Regional Water Utilities:** These recommendations should serve as a guide for creating community-focused and community-beneficial water equity and affordability programs that ensure that your customers, and the utility that serves them, are both protected. Utilities are the true stewards of public health and these recommendations are a framework for protecting those under the utility's care.
- **Organizations:** These recommendations were developed by community leaders on water equity from across the country. Their experiences can serve as an authoritative guide for those seeking to ensure water equity in their own backyard.
- **Members of the Public:** These recommendations were developed by community leaders on water equity from across the country. Their experiences can serve as an authoritative guide for those seeking to ensure water equity in their own backyard.

However you choose to use this document, we encourage you to educate others on what it says and to use these recommendations as a catalyst for your own discussions on water equity in your community.



INTRODUCTION TO THE RECOMMENDATIONS

Today we have an opportunity to make right the water disparities that haunt the United States. Water is something that every human needs to live. Yet, millions of Americans do not have running water, millions are disconnected from water because they cannot pay, and millions are exposed to unsafe tap water and unsafe sanitation. This burden is carried disproportionately by Black, Indigenous, and People of Color (BI-POC) and low-wealth and low-income rural and urban communities across the United States. It is a failure to not provide water and sanitation to all families. We have an opportunity to change the future for millions of families and ensure they have access to safe, affordable drinking water and sanitation.

The Community Task Force for Water Equity (CTF) was convened to develop recommendations on the terms and conditions for the administration and funding of a long-term National Household Water Assistance Program (NHWAP). The purpose of the NHWAP is to get and keep all Americans connected to water and sanitation, including those who must be reconnected and those who must be connected for the first time. The recommendations set forth a structure for how a national assistance program can effectively and holistically respond to the needs of low-income Americans who are being denied or will be denied water and sanitation by continued inaction and apathy.

In the recommendations that follow, the CTF lays out the fundamental truths that serve as the foundation of the NHWAP, the objectives of the NHWAP, the metrics by which to measure the success of the NHWAP, and the basic structure and features of the NHWAP. These recommendations should be read as a comprehensive package—for the EPA, for Congress, for States, for utilities, and for the communities they serve—that all together formulate a solution for ensuring long-term access to water and sanitation for all.¹

¹ Sanitation is defined as access to and use of facilities and services for the safe disposal of human waste (urine and feces). The term sanitation is more inclusive and has been used instead of wastewater to ensure a broader examination and management of human waste.

FUNDAMENTAL PRINCIPLES

The CTF has identified five foundational principles which should direct and inform the development and implementation of the NHWAP. These principles include:

Water is a public good and should be held in public trust. Water and sanitation are human rights. Access to clean, safe, and affordable water is not a privilege and should not be denied to households.

Providing water, sanitation, and stormwater services are costly. Not every household or community can afford to pay the full cost of the service provided, but everyone still needs these services the same. This reality must be reflected in the: (A) distribution of grant funding to States, U.S. Territories, Tribal communities, and utilities; (B) type of financing terms and interest rates available to disadvantaged and low-income communities; (C) water and wastewater rate structures created to recover costs from low-income households by utilities; and, (D) rules that apply to low-income households who may not be able to afford water rates or maintain household water infrastructure.

No household should be punished for not being able to pay their water bill. The punishment for nonpayment—including disconnection from water service, fees and charges, the removal of children from homes without water, eviction from homes designated uninhabitable because of water shutoffs, liens, and foreclosures—is wholly disproportionate to the failure to pay. No low-income household should be punished for needing something that keeps them alive.

We need data. Data allows us to understand whose access to water has been denied, who is carrying water debt, and who bears a higher water burden. Data also allows us to track and measure the success of the NHWAP in restoring and guaranteeing access to water and to ensure the funds are used effectively.

Assistance programs benefit low-income house-

holds, the community at large, and utilities. Assistance programs help to ensure that water is affordable for households with limited income while preserving the financial viability of utilities. A long-term federal-level commitment to customer assistance for water for low-income households would incentivize utilities to participate and to prioritize affordability.

ASSISTANCE PROGRAM OBJECTIVES & METRICS

ASSISTANCE PROGRAM OBJECTIVES

To ensure the efficacy of the NHWAP, clear objectives must be identified. The CTF strongly recommends that the following objectives be adopted for the NHWAP:

- Reconnect all low-income households to water service who have been disconnected;
- Prohibit any low-income household from being disconnected from water services in the future;
- Fully clear the water and wastewater debt of low-income households, and reimburse utilities for that forgiven residential customer debt;
- Prevent low-income households from accumulating new water or wastewater debt, and improve the affordability of water;
- Connect low-income households, at no charge, for the first time, to water and sanitation through on-grid or off-grid solutions;
- Reduce the burdens on and barriers to low-income households participating in the assistance program;
- Support safe and healthy water and sanitation connections for low-income households and the use of funding beyond rate assistance;
- Reinvigorate the mission of the utility as an anchor institution in their communities and guardian of public health; and,
- Improve the financial viability of water utilities.

Low-income households are defined as households who live at or below 200% of the Federal Poverty Line (FPL) or at or below 80% of the Area Median Income (AMI).



ASSISTANCE PROGRAM METRICS OF SUCCESS

To measure the reach of the NHWAP, success must be defined. Guided by the objectives, the CTF strongly recommends the adoption of the following metrics of success for the NHWAP:

- All disconnected low-income households are re-connected to water immediately;
- Zero low-income households are disconnected from water service in the future;
- All existing low-income residential customer debt is forgiven in full within a reasonable timeframe, and utilities are reimbursed in full from the NHWAP program for all residential customer debt forgiven under the program;
- Low-income households do not accumulate new water or wastewater debt;
- Utilities offer affordable rates to low-income households; and,
- BIPOC communities are no longer more likely to experience disconnections, the side effects of disconnections, or carry more water debt.

ASSISTANCE PROGRAM BASICS

Below the CTF has set forth the structure of the NHWAP, including the steps that must be taken to restore and protect access to affordable water. The NHWAP is designed to: (1) End water shutoffs and disconnections; (2) Clear existing debt; (3) Prevent future debt; (4) Get households piped water and sanitation; (5) Collect and publish data; and, (6) Strengthen water access.

(1) END WATER SHUTOFFS AND DISCONNECTIONS

Prohibit disconnections to low-income households.

The CTF recommends that the law prohibit the disconnection of water services to low-income households. Water disconnections to low-income households on the basis of unpaid water and wastewater bills or on the basis of any other debts should be prohibited. Where the law cannot prohibit water utilities from disconnecting water services to low-income households, the law should make the receipt of federal funding and financing for water and wastewater infrastructure contingent on the adoption of a permanent moratorium on water shutoffs and disconnections to low-income households.

(2) CLEAR EXISTING DEBT

Forgive all water and wastewater debt held by eligible low-income households.

The CTF strongly recommends that the law require utilities to forgive in full the water, wastewater, and stormwater debt for all eligible low-income households. This would serve as a one-time forgiveness to clear the debt accumulated to date by low-income households. While the administrative costs for a

program that forgives only low-income household debt are greater than for a program that forgives all current residential customer debt, forgiving low-income household debt focuses financial resources on helping the households with the greatest need and does not reward households who could have paid but did not. Forgiven debt should not be considered taxable income.

Reimburse utilities that forgive low-income residential customer water debt.

The CTF strongly recommends that the law fund the reimbursement of all water utilities that forgive in full low-income residential customer water, wastewater, and stormwater debt. The reimbursement shall only extend to the *value* of the debt forgiven. Private utilities should be eligible to participate, but will not be reimbursed for profit margins included within rates. By forgiving household debt, utilities can remove a tremendous financial and psychological burden from low-income households. In funding the reimbursement of water utilities that forgive in full all household customer water, wastewater, and stormwater debt, the law will help to solidify and strengthen the financial viability of the utility. Without that reimbursement, some utilities, especially smaller utilities with smaller ratepayer bases or utilities with ratepayer bases made up of a greater percentage of low-income households, may fall short of having the financial resources they need to provide safe services. Lastly, some utilities may structure their rates with the assumption that some percentage of the ratepayer base will not pay. This should be taken into consideration when reimbursing the value of debt forgiven.

Low-income renters must be eligible to participate.

The CTF strongly recommends that low-income renters be eligible to have their water, wastewater,

NATIONAL HOUSEHOLD ASSISTANCE PROGRAM

STOP WEAPONIZING WATER DEBT



SET UNIVERSAL THRESHOLD

ENSURE ELIGIBILITY & ENROLLMENT

SET AFFORDABLE RATES FOR LOW INCOME HOUSEHOLDS

END THE SHUT OFFS



CLEAR THE DEBT

PREVENT FUTURE DEBT

ELIMINATE PUNISHMENT

THE SYSTEM IS BROKEN & UNFAIR

RECONNECT

& LEGISLATE

REIMBURSE UTILITIES

PROTECT RINGENCE FOR CUSTOMER COSTS

PROTECT THE MOST VULNERABLE

WE NEED TO DEVELOP THE WORKFORCE

FIX THE LEAKS



HOUSEHOLD WATER PROGRAM

EVENT
FUTURE
BT
ATE
VE
FEES

CONNECT EVERY HOUSEHOLD

SANITATION & WATER

STRENGTHEN ACCESS

SAFE & HEALTHY

TESTING

COLLECTING & PUBLISHING

DATA

UTILITIES

YOU ARE GUARDIANS OF PUBLIC HEALTH



and stormwater expenses forgiven. Many renters often do not receive a bill in their name; however, they are nonetheless responsible for the charges. Existing programs often require a bill to be received in the name of the person seeking to participate in the assistance program. The inability to receive a bill in their name should not prevent renters from being able to have their water expenses forgiven. Landlords should be required to include in the lease a notice indicating what portion of the total rent charge is rent and what portion is related to water and wastewater service fees.

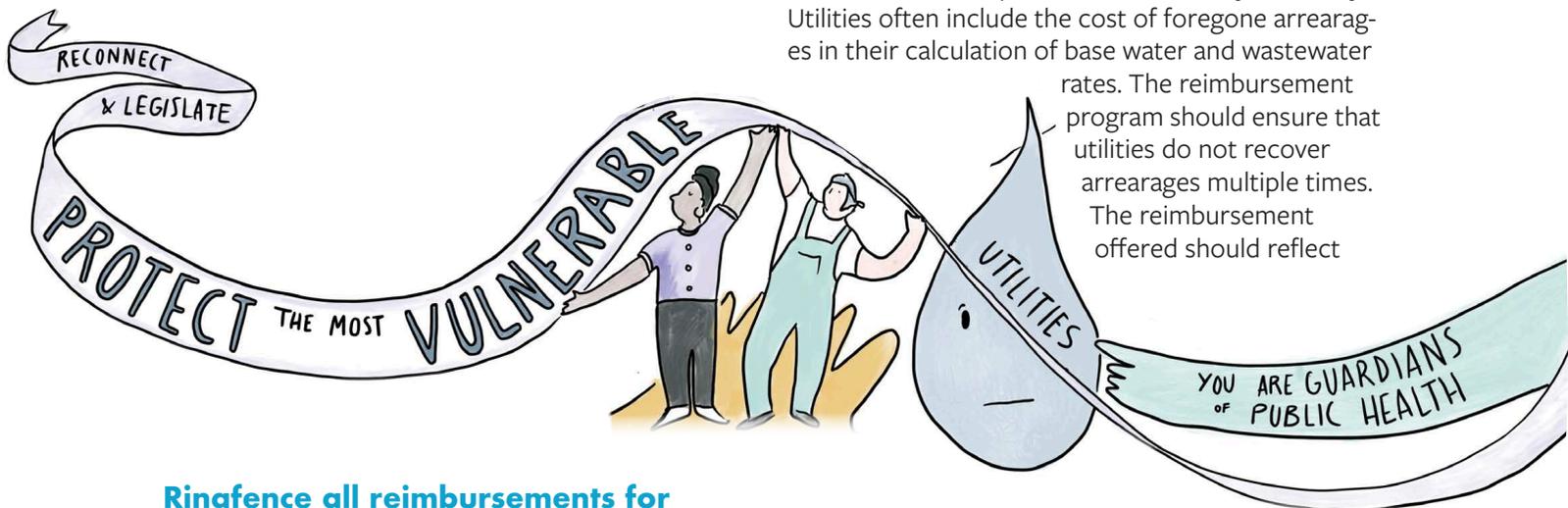
Otherwise, upon request by an eligible renter, a landlord or designee should be legally required to submit an application to participate in the assistance program. The application would request documentation of water and wastewater fees for the building as a whole or for the respective unit if individually metered. The amount of assistance should be calculated based on the account details and posted to the homeowner's water and wastewater account. The landlord would then be required to apply 100% of the credit to the rental account.

should be used to alleviate water utility costs, specifically residential customer costs.

Reimburse only actual expenditures.

The CTF strongly recommends that the law only reimburse actual costs incurred by the utility. Utilities should receive reimbursement for unpaid water and wastewater tariffs, stormwater fees, and any water, wastewater, and stormwater-related fees or charges linked to actual costs incurred by the utility. The law should prohibit water and wastewater utilities from seeking reimbursement for any fees or charges that are assessed punitively against low-income households because they were not able to pay on time or were not able to pay at all. Such punitive fees include late fees, interest charges, and disconnection and reconnection fees that are not directly attributable to the cost of disconnecting and reconnecting service. Only fees or charges that recover actual costs incurred by the utility should be reimbursable.

Furthermore, utilities should be reimbursed for only the value of the unpaid costs incurred by the utility. Utilities often include the cost of foregone arrearages in their calculation of base water and wastewater rates. The reimbursement program should ensure that utilities do not recover arrearages multiple times. The reimbursement offered should reflect



Ringfence all reimbursements for water utility residential costs.

The CTF strongly recommends that water utilities be required to ringfence or set aside all debt reimbursements exclusively to cover residential customer costs. Without a guarantee that the reimbursements will be set aside for the water utility and residential customer costs, the funding could be incorporated into the community's General Fund or be used to cover non-residential costs. This funding

the value of the debt being recovered. Reimbursing the full amount of old, uncollectible debt would be a windfall to the utility and an ineffective allocation of financial resources.

Other unpaid non-water-related charges included on the water bill can be a barrier to a household being reconnected. Non-water- and non-wastewater-related fees, such as trash or garbage charges,

are often included on water and wastewater bills. Such non-water fees should not be included on water or wastewater bills and must be charged on separate bills. Further, the nonpayment of non-water- or non-wastewater-related charges cannot be a barrier to clearing residential customer water debt.

Prevent States and utilities from opting out.

The CTF strongly recommends that the law prevent States and utilities from opting out of the residential customer debt clearance and reimbursement program. Where the law cannot prevent States and utilities from opting out, the NHWAP should create an alternative opportunity where low-income households can apply directly to the designated Federal agency for the funding necessary to clear the household's debt.

(3) PREVENT FUTURE DEBT

Require affordable rates.

The CTF strongly recommends that the law require water and wastewater utilities to adopt affordable water and wastewater rates for low-income households and residential customers. Where the law cannot require utilities to adopt affordable water and wastewater rates for low-income households, the law should make the receipt of water and wastewater infrastructure-related federal funding and financing contingent on adopting affordable water and wastewater rates for low-income households. By adopting affordable water rates in the first instance, the water and wastewater utilities can help preempt the need for rate assistance. Where water burdens are high, the cost of water and wastewater services represent too high a percentage of the household's income. Therefore, households with greater water burdens are more likely to not be able to pay their water bills, and therefore once again become indebted to the utility. If the utility adopts affordable rates for water and wastewater services, low-income households are less likely to accrue water debt and more likely to be able to pay.

Affordable water and wastewater rates can be

achieved by taking different approaches. Utilities can offer tiered percentage of income rates accounting for annual income based on monthly variability. Through these plans, households of different income levels pay a set percentage of their income on water and wastewater. Water utilities can also reduce the fixed or base rate for low-income households and leave the volumetric rate unchanged to maintain the incentive to conserve water. Utilities can also adopt lifeline rates. Lifeline rates steeply discount the first block of water use which is expected to be sufficient to provide for basic drinking, cooking, and hygienic needs for each person in the household.

The assistance provided through the NHWAP will be especially important for smaller communities and communities with a greater percentage of low-income residents. Smaller communities and communities with higher percentages of low-income residents will be more limited in the types of affordability programs they can adopt. Both types of communities have a smaller group of customers over which to spread the full cost of service provision. This may make it more challenging to adopt an income-based rate and at the same time collect sufficient revenue to recover the costs of providing safe services. These circumstances highlight the importance of the NHWAP and national assistance programs.

Prevent low-income households from accumulating new water debt.

The CTF strongly recommends that the NHWAP provide adequate funding to ensure that low-income households, including renters, do not accumulate new water or wastewater debt. The NHWAP would prevent low-income households from accumulating new water and wastewater debt in the first place. If a utility adopts affordable rates for low-income households, it is more likely that a low-income household will be able to pay their water and wastewater bills, and therefore not accumulate debt. However, it is not a guarantee. Further, state and local laws can prohibit differentiated rates within the same rate class, and therefore unique rates for certain income levels, which means some utilities will not be able to adopt affordable

rate structures. Therefore, it is critical that there be federal funding available to ensure that where an eligible low-income household cannot pay, they are not left to accumulate new debt.

Where a low-income household does accumulate new debt after the original debt forgiveness, the NHWAP should support a reimbursement program where accrued debt by low-income households can be periodically forgiven and utilities can receive reimbursement for the forgiven debt. Utilities should be expected to report quarterly on residential customer debt accrued by all households and by low-income households. Similarly to the one-time debt forgiveness, any debt forgiven should not be considered taxable income.

Providing funding to ensure low-income households do not go into debt also helps utilities to remain financially solvent. Where a utility is not able to adopt a rate structure that redistributes utility costs to non-low-income households or to create a customer-funded low-income rate assistance program, NHWAP funding would allow the water or wastewater utility to be reimbursed for the portion of the cost to provide water and wastewater services to low-income households that cannot be recovered from the ratepayer base.

Prevent households with changed circumstances from accumulating debt.

The CTF strongly recommends that the NHWAP provides adequate funding to help households with changed circumstances. No household should be under threat of losing access to water because of a changed circumstance that means they can no longer afford their water and wastewater bills. A changed circumstance would include, without limitation, loss of employment, an unexpected health emergency or illness, death of a primary income earner of the household, or other occurrences which place the household at risk of unaffordable water or wastewater bills.

Prohibit the assessment of punitive fees and other indirect penalties against low-income households.

The CTF strongly recommends that utilities receiving reimbursements from a federal program be prohibited from assessing fees or charges against low-income households for late payment or non-payment. These fees and charges only serve to build debt and punish low-income households for not having sufficient financial resources to pay water bills. Furthermore, utilities should be prohibited from reporting water and wastewater debt to credit agencies and from selling debt to third-party debt collectors. Households should not incur additional financial penalties and consequences from being unable to pay water and wastewater bills.

Prohibit the use of water debt as a basis for other punishments.

The CTF strongly recommends that state and local governments and utilities be prohibited from using water debt as a basis for other punishments against low-income households. Water debt is used to punish households in other ways. Many municipalities will place liens on homes with unpaid water debt. Where the household cannot pay off the lien, the homeowner may be subject to foreclosure and subsequent eviction. In the case of renters, water shutoffs can also result in eviction. Homes without water can be designated as uninhabitable and renters will be evicted as a result. Water debt carried by low-income households should not lead to the loss of shelter.

Water shutoffs resulting from unpaid water debt can also result in parents having their children removed from their care. When water is shut off to a home, that home becomes uninhabitable. When the home is uninhabitable, children can be removed by the State. There should be no extended consequences of water debt and water burden. The end of water shutoffs against low-income households should end this practice.

Set a universal threshold for eligibility.

The CTF recommends that the law adopt a universal federal threshold for eligibility. All households across the United States at or below 200% of the Federal Poverty Level (FPL) or at or below 80% of

the area median income (AMI) must be eligible to participate in the program regardless of their state of residence.

Households must be allowed to self-attest their income. Self-attestation allows the household to certify that they meet the income eligibility requirements or are eligible for water credits if they are homeless. Further, households should *not* be required to provide evidence of any assets. All asset tests should be prohibited. A periodic audit should be conducted to maximize the reach of the program on the back end, while reducing administrative burden on the front end.

Citizenship should not be a barrier to eligibility. Households should not be required to provide proof of U.S. citizenship. Household immigration status verifications should be eliminated from water assistance application requirements.

Allow for categorical eligibility.

The CTF strongly recommends that any households currently enrolled in LIHEAP, SNAP, TANF, and Medicaid be categorically eligible to participate in the national household water assistance program without being required to provide additional proof of income. Because States set different eligibility levels for LIHEAP, SNAP, and TANF, categorical eligibility should be an additional method by which to determine eligibility, in addition to the universal threshold.

Allow for payment plan enrollees to participate.

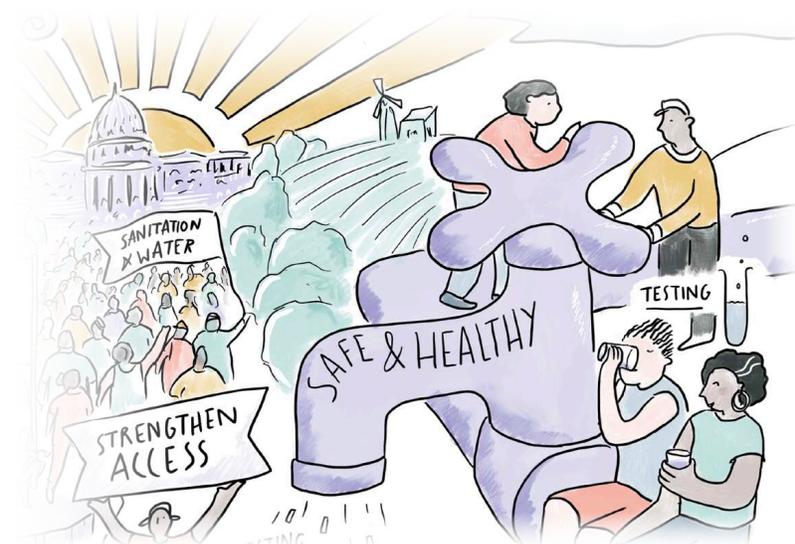
The CTF strongly recommends that enrollment in a payment plan not be a barrier to participating in the NHWAP. Eligible households who are currently enrolled in a payment plan should be allowed to participate in the assistance program.

Ensure enrollment.

The CTF strongly recommends that the NHWAP reduces the barriers to enrolling in an assistance program in order to facilitate greater enrollment. Utilities often do not collect and do not have direct

access to household income information. This impedes the ability of utilities to automatically enroll eligible low-income households into an affordable rate program, an assistance program, or an income-based payment plan. The burden is typically placed on low-income households to provide proof of eligibility and to apply for assistance programs.

The NHWAP should reduce the burden on households by placing the responsibility on the state agency or representative administering the assistance program to collect that information and automatically enroll low-income households. Often this information is already being collected as part of other programs and by other governmental offices or agencies; therefore, there is an opportunity to improve data sharing between state and local government agencies and facilitate enrollment without the need to request additional information. With automatic enrollment, the administering state agency, representative, or utility would be required to inform the household that they have been automatically enrolled into an assistance program and to explain the benefits they will receive. Where an administering state agency or representative cannot automatically enroll eligible households, there should be multiple methods by which a household can enroll in the assistance program. Such types of enrollment include but are not limited to online enrollment forms, mail-in enrollment forms, and online, by phone, or in-person assistance appointments to help with completing enrollment applications. The assistance program administrator should also use available income information to target outreach to known low-income households.



Establish a fully refundable water utility tax credit for low-income households.

The CTF strongly recommends that the law establish a fully refundable water utility tax credit for low-income households for amounts paid during the previous year, not including the value of the assistance provided. Low-income households at $\leq 200\%$ FPL and $\leq 80\%$ AMI would qualify to receive a tax credit for the water and wastewater bills they have paid during the previous tax year. The tax credit would only include the amount of the water and wastewater bills paid directly by the household.

Develop the workforce.

The CTF strongly recommends that the law establish a fund within the NHWAP to develop and professionalize the water and sanitation sector workforce. Small systems are usually overseen, operated, and maintained by staff with limited training and expertise. They often fill many roles within the communities beyond water and wastewater utility operators. With this funding, water and wastewater utility operators would receive training and could attend certificate programs that build their skills and qualifications. Funding should be prioritized for water utilities serving fewer than 50,000 customers. Funding should also be used to train and license plumbers that can repair household water and sanitation infrastructure. Many smaller communities do not have qualified, licensed plumbers. As part of this effort, the CTF suggests the launch of a mentorship program where staff can get hands-on experience and training at different utilities. The program can also support staff exchanges where, for example, water utility operators from different utilities spend time at a different utility training, learning, and coaching. Training and workforce development should also extend to IT and customer assistance.

Regardless of the size of the community, training opportunities should be provided to all. Training should be prioritized for BIPOC, women, low-income, the previously-incarcerated, and other underrepresented groups. Training and classes should be available locally. This will maximize the number of community members who can

participate by ensuring the trainings and classes are accessible from their community. This will also ensure that rural and hard-to-reach communities benefit from training programs.

The CTF also supports the development of a water and wastewater contractor network. This network would ensure that qualified, licensed staff across the United States are available to respond to work orders issued by water utilities or sought by households. Existing workforce Community-Based Organizations (CBOs) can be mobilized to support this network.

Create an advisory group.

The CTF strongly recommends that the NHWAP requires States to develop an advisory group composed of community members and assistance program administrators to oversee the assistance program. Community members on the advisory group should in part be drawn from those who receive assistance through the assistance program. Every year, for the first five years of the program, the advisory group would solicit feedback from households who have participated in the assistance program. The advisory group would use different forums and outreach mechanisms to reach the greatest number of households. Based on the information collected, the advisory group would offer recommendations to the State administering agency on how the administration of the program could be improved and adapted to respond to the shortcomings and challenges identified through the information gathering.

The members of the advisory group should receive training to ensure they can actively engage in the group's work. Advisory group members would participate in a training to ensure they are aware of the requirements of the assistance program, the roles and responsibilities of the different stakeholders, and the tools of implementation.

Develop universal community outreach standards.

The CTF strongly recommends that each administering state agency be required to conduct outreach



not only with utilities and subgrantees but with the public through multiple forms of communication, including but not limited to website updates, mail, email, text, phone calls, flyers, and public forums. Outreach ensures prompt participation by utilities and informs households, particularly households not automatically enrolled in the program, that they can apply for assistance if they meet certain eligibility criteria. Outreach should be intentionally conducted in the most rural and hard-to-reach communities to ensure equitable participation. Outreach should begin as soon as funding is received, if not earlier.

(4) GET HOUSEHOLDS PIPED WATER AND SANITATION

Connect households to water.

The CTF strongly recommends that the NHWAP funds the connection of any and all low-income households to piped water. Connection to services includes: (1) the extension of the water main to an unserved community; (2) the connection of the household to the water main; (3) the adoption of off-grid, on-site solutions; and, (4) the finding and connecting of households to alternative surface water or groundwater sources. The NHWAP should fund the connection of low-income households to existing drinking water treatment plants. Where such an extension of the existing system is not feasible, economically or otherwise, the NHWAP should fund a feasibility study to determine the best alternative drinking water solution. This alternative may include a private well or a new smaller drinking water treatment plant that will serve a broader community that is not connected to piped water. Funding for first-time connections should be prioritized for historically discriminated against and underserved communities and communities with more than 25% of households at or below 200% FPL or 80% AMI, whichever is more inclusive.

NHWAP funding for new connections should be provided in the form of grants and no/low-interest/principal forgiveness loans. A tiered funding structure would distribute grants and loans to households based on their income level.

The NHWAP should have a separate budget line item for connections. It should be a priority to ensure all households in the United States are connected to water and sanitation services. However, given the cost of infrastructure construction, it is important that this work is not offered at the expense of rate assistance.



Connect households to sanitation.

The CTF strongly recommends that the NHWAP fund the connection of any and all low-income households to sanitation. Connection to services includes: (1) the extension of the sewer main to an unserved community; (2) the connection of the household to the sewer main; and, (3) the adoption of off-grid, on-site solutions. The NHWAP should fund the connection of low-income households to existing wastewater treatment plants. Where such an extension of the existing system is not feasible, economically or otherwise, the NHWAP should fund a feasibility study to determine the best alternative sanitation solution. This alternative may include a septic tank or other form of on-site sanitation or a new wastewater treatment plant that will serve a broader community that does not currently receive sanitation services or receives sanitation services that are inadequate to protect human health and the environment. Funding for first-time connections should be prioritized for historically discriminated against and underserved communities and communities with more than 25% of households at or below 200% FPL or 80% AMI, whichever is more inclusive.

NHWAP funding for new connections should be provided in the form of grants and no/low-interest/principal forgiveness loans. A tiered funding structure would distribute grants and loans to households based on their income level.

The NHWAP should have a separate budget line item for connections. It should be a priority to ensure all households in the United States are connected to water and sanitation services. How-

ever, given the cost of infrastructure construction, it is important that this work is not offered at the expense of rate assistance.

(5) COLLECT, PROTECT, AND PUBLISH DATA

Collect, protect, and publish water and sanitation access and affordability data.

The CTF strongly recommends the law require the collection and regular publication of data on water access and affordability. Most utilities are not required to publish data on water access and affordability. Most utilities also do not voluntarily publish this data. Therefore, the challenges preventing universal access to water have been allowed to stay hidden. Better data will generate greater visibility of the challenges and enable communities and utilities to develop responsive solutions. The law should require the following data be reported to the State and maintained on a State-government administered online platform. All data should be disaggregated by census block or nine-digit zip code where possible. The data and information that should be collected and published includes:

Reported annually:

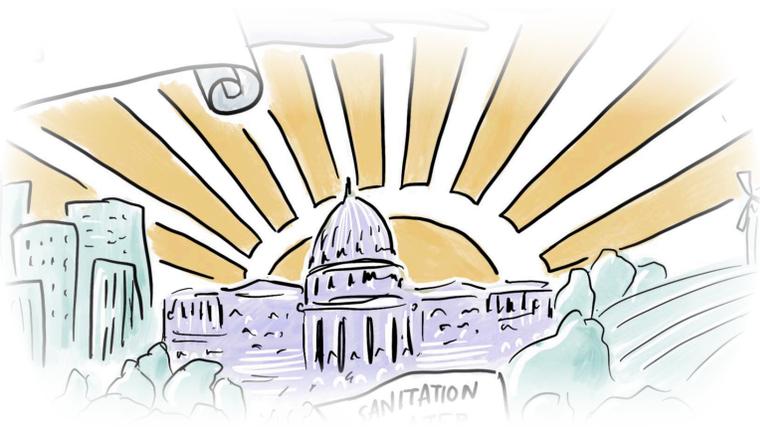
- Number of households in the community
- Number of households in the service area
- Number and location of households served by lead service lines
- Number and location of replaced lead service lines
- City tax rate for water and wastewater utilities
- Grant funding and source of funding received by utility, along with the projects for which

funding is used and the percentage of completion for those projects

- Financing, source of financing, and interest rate received by utility
- The utility budget, including projected and actual revenue and costs
- Rate structure type for residential, commercial, and industrial customers
- Rates for residential customers
- Rates for commercial and industrial customers
- Percentage system water loss
- Percentage of water loss attributed to vacant homes
- The name and contact information for the administrator of the assistance program

Reported monthly:

- Number of households receiving a bill
- Number of people served
- Number of vacant homes receiving a bill
- Number of households with arrearages
- Number of households disconnected
- Number of households reconnected, disaggregated
- Number of households served who qualify as low-income ($\leq 200\%$ FPL/ 80% AMI)
- Residential customer water debt, disaggregated
- Commercial customer water debt, disaggregated
- Industrial customer water debt, disaggregated
- Number of unpaid residential water bills sent by a utility to the city for liens
- Number of liens foreclosed
- Number of residential account holders of unpaid water bills sent to debt collectors
- Volume delivered to residential, commercial, and industrial customers, disaggregated
- Fixed and volumetric revenues from residential, commercial, and industrial customers, disaggregated



Where possible, the data points listed should also be mapped across the service area. The law should require that historical data for the past five years be included. Furthermore, the law should require that each State issues an annual access to water and water affordability report analyzing the data collected by census tract.

Data collection, analysis, and presentation are time and resource intensive. Because of the value of data, it is important that data collection, analysis, and presentation are funded, especially for smaller utilities with more limited resources. The Federal and State administering agencies should also support data collection. Further, the adoption of updated and improved software will enable greater integration of data collection and reporting into utility practice.

Both public and private utilities should be prohibited from selling, loaning, trading, or bartering data about households or customers to third parties, including contractors chosen to manage arrearage programs. The data shared by customers with utilities or the State should not be monetized. Utilities have a responsibility to protect this data.

(6) STRENGTHEN WATER ACCESS

Revitalize and reinforce access to water and sanitation.

The CTF recommends that the NHWAP include a separate source of funding to enable low-income households to protect and maintain their access to water and sanitation. These funds could be used to support the following types of projects:

- fixing household-level water leakages,
- replacing inefficient toilets, shower heads, and other fixtures,
- installing water meters,
- testing water quality at the tap,
- testing personal well-water quality,
- installing at-home water filtration systems,
- fixing or replacing septic tanks, and
- lead service line (LSL) replacement, including household lead-based fixtures.

This work is important for two reasons. First, household water leakages, evidenced by unusually high water bills, can result in a water shutoff. Low-income households cannot afford the necessary fixes to resolve the leak and would otherwise remain disconnected until the leak can be fixed. Therefore, funding should be made available to ensure low-income households are not disconnected because of water leakages and to fund household water infrastructure upgrades that will help improve the efficiency of the entire drinking water distribution system as well as reduce the unnecessary cost to both the household and the utility.

Second, it is important that we do not forget about the communities and households served by private wells and septic tanks. Private wells often go untested and recent studies show that many wells serve unsafe drinking water. Similar studies show that septic tanks are failing, threatening public health, the environment, and property values. Funding would ensure that low-income households can regularly test their wells and install filtration systems should they be necessary to provide safe drinking water. Funding would also ensure that low-income households can fix and replace failing septic tanks, which is a benefit to the public health and safety of the household, the environment, and the groundwater that can easily be contaminated by a leaking septic tank.

Where new water meters are installed or where water meters are installed for the first time, there may be a significant change in the water use calculated. While new meters may provide more accurate information about water use, it is important that the installation of new water meters be paired with education about water conservation and greater financial assistance to protect low-income households from significant bill increases that may impact their ability to pay.

For more information and updates on this project, please visit:

www.ourwatersecurity.org/ctf

