

Good afternoon!

We are proud to finally announce that we are ready to launch the Low Income Home Water Assistance Program (LIHWAP) to assist families with outstanding water costs. The Low Income Household Water Assistance Program (LIHWAP) is administered by the Tennessee Housing Development Agency (THDA) and funded by the U. S. Department of Health and Human Services (HHS). The program is designed to assist eligible low income households in meeting their immediate household water and wastewater needs. Priority assistance, is based on households with water services that have been shut off, have a shut off notice, or are past due on payments.

SCHRA will administer payments directly to water and wastewater providers. All payments can include late fees, interest, reconnection fees, collection service fees, and deposits. Payments can be split between providers and debt collectors should there be more than one company charging for water and wastewater services.

All qualified applicants must submit a water and or wastewater bill of no less than ten dollars (\$10.00). SCHRA will provide a one-time payment of two hundred and fifty dollars (\$250.00), which can be split between water, sewer and collection agency companies, to all qualified applicant households, during the program year of October 1st to September 30th. If bills exceed this amount, all water expenses will be paid in full.

For water utility companies that don't have the capacity to manage a credit on the participants account: Split benefits into multiple payments to get around the capacity limitation. For example, if a household is approved for a \$250 dollar benefit, but their current bill is \$100 per month, the state would pay the full \$100 bill and then request that the household send their bill in again the following month which will be paid off until the household hits their \$250 dollar benefit amount ceiling. If month 2 is also a \$100 bill, they will get LIHWAP benefits for those 2 months. If the bill for month 2 is less than \$100, they could go to month 3 and the payments would continue as long as their total benefit is less than the \$250 dollars they were approved for based on the benefit matrix. For those utility companies that bundle their electric, gas, trash removal with water and wastewater removal, HHS requires a separation of water and wastewater bills to qualify for the LIHWAP program.

Priority Group 1:

The initial priority is to target assistance first for those households whose services are already disconnected. SCHRA may use a variety of interventions to achieve the expected outcome of restoring service. This may include paying the entire amount past due plus all required fees or paying a portion of the outstanding balance and coordinating approval of other resources that

can be used to bring the account current. Another intervention is paying a portion of the past due amount and negotiating reconnection of the service for 90 days or longer based on the LIHWAP benefit. Still another intervention might include negotiating with vendors to get the household on a budget payment plan. There are many interventions your team can use in coordination to achieve the outcome of restored service.

Also an initial priority group are the households that currently have service but are about to lose service because of nonpayment. This means they have a disconnection notice, or they could have an outstanding balance but have been protected by a disconnection moratorium that is about to expire. For this group, the expected outcome is to avoid a disruption of service regardless of how brief.

Priority Group 2:

Households in Arrearages: Households who are in arrearages or behind in paying their water/sewer bills and at risk of receiving a disconnection notice. The second priority group are families struggling to maintain their household expenses due to various reasons including change in household income, to the current increased inflation rate causing an uptick in household bills. There is no disconnection notice but the bill(s) due date has passed.

Priority Group 3:

1. Households Seeking Help with Current Water Bills (No Past Due Balance). The third priority is assisting households who need assistance with initial water set up fees, or have a working service and are seeking help with current bills only, meaning they are not behind on their bills. A Hardship Self-Certification will need to be signed by the head of household and any co-head of household member.
2. Households whose water and sewer bills are included with rent defined as, a rental or lease agreement in which a portion of the rental payment is dedicated toward the unit's water/sewer cost, whether as a fixed or variable amount. In either case, the landlord maintains responsibility and control of the units water source account(s).

To serve households with single water meters, SCHRA will need to obtain/confirm certain information from the landlord, including:

§ The name of the water vendor; the account number; and the cost of water charged in the rental fee. With this information, SCHRA can make a payment directly to the water vendor. In these cases, once the water vendor receives a payment, the agency must confirm that the benefit is being passed to the household in the form of a rent reduction. A fixed amount is when the portion of the rental payment dedicated toward the unit's water and wastewater cost is the same dollar amount from month to month.

§ A variable amount is when the portion of the rental payment dedicated toward the unit's water and wastewater cost changes dollar amounts from month to month.

Attached is a vendor agreement required from your utility company in order to participate. Please note that you will be required to accept our signed voucher in lieu of payment. Approval vouchers are sent to you to secure the client's account and payment will be made from SCHRA within 5 business days. Failure to comply with this requirement will disqualify your agency from participation. This is a requirement of the federal legislation.

I sincerely hope that will consider being a partner, and working with SCHRA. on this exciting initiative. This program is scheduled to run through September 30, 2023, but has been rumored to be in existence for good by Congress. This program is being started in every state across America! Please join us to partner up and work together to change the quality of life for most vulnerable citizens to help them have access to an essential part of living through helping these folks with their water bills.

Please call me at xxx-xxx-xxxx if you have any questions or concerns. I will also be glad to come and talk about this in person as well if needed. There will be more information to follow in a few weeks. If you choose to be a part of this program, please complete the Vendor Agreement attached and email back to me.