

Why Permanent Funding for LIHWAP Matters for Communities

Closing the Water Affordability Gap

The Low-Income Household Water Assistance Program (LIHWAP) was the first-ever federal water/wastewater bill assistance program, funded at \$1.138B (Consolidated Appropriations Act of 2021 + American Rescue Plan Act 2021) and administered by the Department of Health and Human Services, Office of Community Services from 2021–2024.



BACKGROUND

IMPACT



1.5 million households served



100,000+ service restorations



1.1+ million customer bills reduced


Affordability remains a concern for some households experiencing difficulty paying for essential water and wastewater services. This underscores the importance of sustained federal support—such as a long-term LIHWAP program—alongside effective, utility-led customer assistance.

More than **\$1.2 trillion** is needed for drinking water and wastewater systems **over 20 years**.

Lower-income households can face greater affordability pressures, underscoring the value of targeted support and collaborative policy solutions to assist vulnerable customers.

Collaborating to Expand Assistance

Permanent LIHWAP would complement the well-established and long-standing customer assistance programs (CAPs) implemented by private providers including bill discounts, flexible terms, arrearage forgiveness, reconnection fee waivers and leak repairs. LIHWAP fills systemic gaps that CAPs alone cannot, especially for low-income households and small utilities with limited administrative and financial capacity.



**American Water's
Help to Others
(H2O) program**

**Veolia North
America's Veolia
Cares program**

**Essential Utilities'
Aqua Aid program**

References

U.S. EPA. (April 2024). 2022 Clean Watersheds Needs Survey: Report to Congress (EPA 832-R-24-002).

U.S. EPA. (September 2023). Drinking Water Infrastructure Needs Survey and Assessment: 7th Report to Congress (EPA 810-R-23-001)

Office of Community Services. (February 2024). Understanding water affordability across contexts: LIHWAP water utility affordability survey report. U.S. Department of Health and Human Services.

Office of Community Services. (March 2024). Low Income Household Water Assistance Program (LIHWAP) closeout report. U.S. Department of Health and Human Services.