



Subject: Low Income Household Water Assistance Program
Process Owner: Division of Community Assistance and Development
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Revision Number: 3

Low-Income Household Water Assistance Program

I. POLICY STATEMENT

The Low-Income Household Water Assistance Program (LIHWAP) within the Arizona Department of Economic Security (DES or Department) was established in response to the COVID-19 pandemic. This policy provides guidance to Employees on the treatment of cases and communication among all parties.

LIHWAP provides assistance to low-income Households to assist with Drinking Water and Wastewater bills. This assistance is intended to 1) restore water services that have been disconnected for nonpayment 2) prevent disconnection of water services 3) provide a monthly financial benefit that can reduce a Household's water bill.

II. APPLICABILITY

This policy applies to all DES Employees, including contractors who are involved with LIHWAP. This policy also applies to Applicants and recipients of LIHWAP assistance funds.

III. AUTHORITY

Funding for Water Assistance Program

[American Rescue Plan Act, 2021](#)
[Pub. L. 117-2](#)
[Section 2912](#)

General Provisions

[Consolidated Appropriations Act, 2021](#)
[Pub. L. 116-260, Division H.](#)
[Section 553](#)

National Declaration of Emergency

[Proclamation on Declaring a National Emergency Concerning the Novel Coronavirus Disease \(COVID-19\) Outbreak](#) (March 13, 2020)

[Continuation of the National Emergency Concerning the Coronavirus Disease 2019 \(COVID-19\) Pandemic](#) (February 26, 2021)

U.S. Department of Health and Human Services

[U.S. Dept. of Health & Human Services Frequently Asked Questions and Answers about Administering the Low Income Household Water Assistance Program](#) (July 23, 2021)

Arizona Revised Statute

[A.R.S. § 41-1959 Confidential information; permissible disclosure; rules; violation; classification](#)

IV. DEFINITIONS

Applicant: A person who is 18 years or older requesting LIHWAP.

Arrearages: An unpaid past due bill for Household Drinking Water and/or Wastewater utility services.

Drinking Water: Any water used for domestic purposes, drinking, cooking, and personal hygiene.

Employee: Any full-time or part-time worker, or temporary paid or unpaid worker, who is employed directly by DES.

Federal Poverty Level (FPL): Federal Income guidelines used to determine Income eligibility for Households exceeding 8 people.

Gross Income: The total Household Income for all Household members before taxes and other deductions.

Household: Any individual or group of individuals who are living together as one economic unit for whom residential Drinking Water and/or Wastewater services are customarily purchased in common or who make undesignated payments for those services in the form of rent.

Income: Taxable Income as defined by the Internal Revenue Service.

Landlord: A person who owns a residential unit or otherwise has permission to collect rent on a residential unit. A person who is listed as a Tenant in the housing agreement is

not considered a Landlord.

LIHWAP (or Program): The DES Program, administered by the Division of Community Assistance and Development (DCAD), that provides Drinking Water and Wastewater services financial assistance to eligible Arizonans in need.

Qualified Noncitizen: An individual who is not a citizen of the United States but falls into any of the following categories:

- Lawful/legal permanent residents
- Asylees
- Refugees
- Aliens paroled in the U.S. for at least one year
- Aliens whose deportations are being withheld
- Aliens granted conditional entry (prior to April 1, 1980)
- Battered alien spouses, battered alien children, the alien parents of battered children, and children of battered parents who fit certain criteria
- Cuban/Haitian entrants
- Victims of a severe form of trafficking

State Median Income (SMI): Guidelines used to determine Income eligibility for Households of one to eight people.

Tenant: The person or persons listed as a leaseholder in a rental agreement at the time of application for the LIHWAP.

Water Burden: The proportion of total Household Income spent on Drinking Water and Wastewater bills in a month.

Wastewater: Water that has been used in a Household. This may include stormwater.

Water Vendor: A company or organization that provides Drinking Water and Wastewater services.

V. STANDARDS

A. Eligibility for LIHWAP

1. An Applicant must be in need of assistance with payment for Drinking Water and Wastewater.
2. An Applicant must be a U.S. Citizen or Qualified Non Citizen according to the *Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA)* ([Pub. L. 104-193](#) Title IV, Subtitle B, Section 742), which limits eligibility for benefits to citizens and Qualified Noncitizens and prohibits benefits to other noncitizens, including nonimmigrants (or temporary residents) or undocumented immigrants.

3. The Applicant and Household must reside within Arizona at the time of application.
4. The Household's Income must meet specific requirements:
 - a. Gross Income is at or below 60% of the SMI for Households of 8 or fewer; or
 - b. Gross Income is at or below 150% of the FPL for Households exceeding 8 people.
 - c. U.S. citizens and Qualified Non-Citizens will be considered as part of the Household size.
 - d. Income from all Household members (regardless of immigration status) is considered Household Income.
 - e. Countable Income means Gross Income for all Household members and includes:
 - i. Employment payments as indicated on a W2, 1099, tax documents, or pay stubs;
 - ii. Unemployment Insurance benefits;
 - iii. Social Security benefits; and
 - iv. Other monies coming into the Household.
5. The Household or Landlord who pays the water bill must pay for water through a Water Vendor.
 - a. Households whose water is paid through a third party billing company are not eligible.
6. Landlord participation is required when the water bill is included in the Household's rent.
 - a. Landlord must provide Water Vendor account information; and
 - b. Landlord must agree to reduce Tenant's rent in the amount paid on the Tenant's behalf.
7. A Household may not receive LIHWAP benefits for costs already paid by any other assistance program.

B. Application Process

1. Application Submission

An Applicant must complete an online LIHWAP application at <https://des.az.gov/LIHWAP>. If an Applicant does not have access to the internet or is otherwise unable to apply online, an Applicant may:

- a. Call (833) 453-2142 to apply via telephone. For a telephone application, oral acknowledgment of the application will be deemed a signature; or
- b. Print a copy or obtain a printed copy of the application form:
 - i. An Applicant will complete the printed application and attach appropriate documents; and
 - ii. Return the completed application to DES by
 - A. Faxing to (602) 612-8282;
 - B. Taking the application to a local DES office;
 - C. Mailing the application to:

Department of Economic Security
Low-Income Household Water Assistance Program
PO Box 19130
Phoenix, AZ 85009-9998

2. An Applicant will submit the following:

- a. Proof of Arizona Residency
 - i. An Applicant must submit a water bill that lists their Arizona address.
 - ii. An Applicant must handle Address Confidentiality Program (ACP) participant information according to *Address Confidentiality Program Policy* ([DES 1-01-45](#)), [DCAD Address Confidentiality Program Policy](#), and associated procedures ([DES 1-01-45-01](#)).
- b. Demographic information of the primary Applicant, which is required to be collected per federal guidelines, including race, ethnicity, and gender. There is a “choose not to answer” option for all demographic data collection elements.

- c. Proof of Income
 - i. An Applicant must demonstrate proof of Income. This may be demonstrated through any of the following:
 - A. Participation in one of the following programs:
 - 1. Supplemental Nutrition Assistance Program (SNAP); or
 - 2. Temporary Assistance for Needy Families (TANF).
 - B. Proof of Income for all Household members that includes:
 - 1. The most recent pay stubs from 60 calendar days from the date of the LIHWAP application; or
 - 2. Tax documents for the previous calendar year.
 - C. If an Applicant does not have the most recent pay stubs for all members of the Household, the Applicant shall provide other evidence of Income amounts.
 - D. If an Applicant has no Income the Applicant shall sign a self-certification of no Income.
- d. Bill(s), invoice(s), shut-off notice, or other evidence of the water account status.
- e. The Landlord's contact information is needed when Drinking Water and/or Wastewater is included in the Tenant's rent.
- f. Self-Certification of the following:
 - i. Household did not receive any other assistance for the same water cost;
 - ii. U.S. citizenship or Qualified Non Citizen status.

3. Verification of Identity

To prevent fraud, an Applicant must verify their identity.

- a. Generally, an Applicant should verify their identity through ID.me at <https://www.id.me/>. Use of id.me will require a Social Security Number (SSN) or Taxpayer Identification Number (TIN).
 - i. An Applicant's disclosure of their SSN or TIN is optional and is used to verify the Applicant's identity and assist in the timely processing of the application.
- b. If an Applicant wishes not to disclose their SSN or is otherwise unable to verify through ID.me, they may submit a paper or phone-based application and provide identity documents. This method may lengthen processing time.

4. Incomplete Application

If an application is incomplete, DES will request missing information from the Applicant.

5. A DES Employee may not process an LIHWAP application submitted by any person the Employee knows, including a friend, neighbor, or relative.

C. Case Prioritization

1. When case prioritization is necessary, a Household Higher prioritization will be granted for Households in which water services have already been disconnected or are pending disconnection will be given priority in application processing. Households that meet any of the following conditions will be prioritized:
 - a. A Household member is over 60 years of age;
 - b. Household has a high Water Burden (>5%);
 - c. A Household member has a disability; or
 - d. A Household member is under 5 years old.
2. Case prioritization will occur if the Department has a backlog.

D. Authorization of Benefits

1. The Department may authorize up to \$3,000 in total financial assistance to:
 - a. Pay Arrearages incurred after March 2020;
 - b. Restore water services (including payment of reconnection charges, fees, and penalties); and
 - c. Authorize prospective water services payments (credits) in three month increments.

2. Payment Issuance
 - a. The Department will:
 - i. Issue a LIHWAP payment directly to a Water Vendor via Electronic Fund Transfer (EFT) or check.
 - ii. Contact the Landlord, if applicable, to obtain relevant account information in order to pay the Water Vendor.
 - b. Any payment made to a bank account or to a mailing address outside the United States is subject to an additional review before processing.
 - c. Any LIHWAP payment received by the Water Vendor under this section will be used to satisfy all or a portion of the Household's water bill.
 - i. The Water Vendor must agree to the *Water/Wastewater Services Vendor Terms and Conditions* as a condition of receiving LIHWAP payment and must agree not to attempt to disconnect water services for 30 days from the date of the Department's payment is received, or the maximum number of days allowed by the policies and procedures that apply to all of the Vendor's customers (whatever is longer).
 - ii. Any disputes arising out of the *Water Vendor Terms and Conditions* must be resolved in an Arizona court of competent jurisdiction according to Arizona law, and not as a small claims lawsuit without the Household's consent.

3. Benefit Limits
 - a. An eligible Household will not receive LIHWAP payments in excess of \$3,000 in total assistance.
 - b. Future LIHWAP payments for an eligible Household's water bill from the date of application are payable in three-month increments but will be transmitted on the first business day of each month.
 - c. A Household must reapply for LIHWAP every three months with reduced documentation.
4. Other
 - a. LIHWAP assistance payments are not considered Household Income.
 - b. A Household's participation in LIHWAP must not adversely impact the Household's eligibility for other public assistance programs provided by DES.

E. Confidentiality

1. Information collected by the Program and during an appeal is confidential under A.R.S. § 41-1959 unless such confidentiality is waived.
2. The Department may refer an Applicant to a partner organization that may provide the Applicant with additional benefits in order to pay the Applicant's entire water bill. In this situation, some basic information about the Applicant may be provided to the partner organization.
3. The U.S. Treasury Office of Inspector General and the U.S. Government Accountability Office, or authorized representatives of either, must have the right of access to confidential records to conduct audits or investigations.

F. Records Retention

1. DES will maintain a copy of all records for at least five years, according to *Records Management and Reports Policy* ([DES 1-37-12](#)) and associated procedures ([DES 1-37-12-01](#)), after all funds allocated to the state have been expended.
2. DES shall maintain records including financial documents and documents pertaining to eligibility determinations.

G. Fraud Prevention

1. Employees will take multiple steps to detect and prevent instances of fraud. Specifically, Employees will review the water bill, and other associated documents for signs of fraud (as detailed in standard work).
2. Applicants are required to attest they are not receiving benefits under LIHWAP for water expenses already paid by any other assistance program.

Appendix 1- Income Eligibility by Household size

Household size	Monthly Gross Income Limit
1	\$2,238
2	\$2,926
3	\$3,615
4	\$4,303
5	\$4,992
6	\$5,681
7	\$5,810
8	\$5,939
9	\$6,418
10	\$7,008
11	\$7,598
12	\$8,188
13	\$8,778
14	\$9,368
15	\$9,958
16	\$10,548
17	\$11,138
EACH ADDL OVER 17	EACH ADDL
	\$590