

Water is a **BIG DEAL.** Let's treat it like one.



Key measures to encourage private investment in water and wastewater infrastructure:

- Encourage Regionalization
- Lift Caps on PABs
- Eliminate Defeasance Penalty
- Expand Eligibility of SRFs
- **Incentivize Low-Income Programs**

INCENTIVIZE LOW-INCOME PROGRAMS

Incentivizing states to address affordability through low-income assistance programs is likely to encourage private investment for necessary infrastructure upkeep and construction. Preliminary estimates by PricewaterhouseCoopers indicate that taking this action along with other regulatory changes could lead to an additional **\$43 billion** incremental private water infrastructure investment; **\$15-25 billion** incremental private wastewater infrastructure investment; and generate **\$20 billion** potentially from P3s.

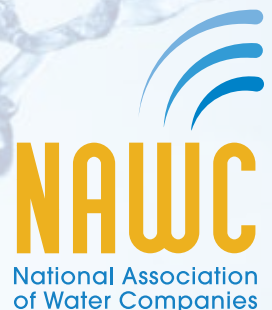
How it supports increased investment

Low-income programs administered by state and local governments help low-income families pay for high sewer and water bills.

The cost benefit

Cost savings associated with helping customers pay their bills and get on a payment plan can be tremendous. In recent years, voluntary programs have found success by helping customers avoid costly shut-offs through establishing payment plans or subsidized rate programs for increasingly expensive water services.

The NAWC is the voice of the private water service industry—the organization exclusively representing this group of quality water service providers, innovation drivers, creative financiers and responsible partners. We believe by working together with local governments and communities we can leverage our strengths to effectively address the opportunities and challenges facing our nation. We're moving water forward. For more information, visit www.nawc.org.



INCENTIVIZE STATES TO ADDRESS AFFORDABILITY THROUGH LOW-INCOME ASSISTANCE PROGRAMS

AFFORDABILITY ASSISTANCE PROGRAMS

Affordability assistance programs for financially distressed customers are already being implemented by responsible public and private water utilities. For example, in California, Low-Income Rate Assistance (LIRA) programs are offered to customers who meet income guidelines. Qualifying customers receive a discount on their monthly service charge. And in Detroit, the Great Lakes Water Authority offers an innovative payment assistance plan to help low-income residents pay their water bills. The Water Residential Assistance Program (WRAP) provides qualifying customers at or below 150 percent of the federal poverty threshold, assistance in paying current and past-due water bills.

Unfortunately, these programs are not the norm as customers and communities continue to fall behind in necessary payments and investments. In a survey published in 2016, the U.S. EPA found that fewer than 30 percent of sampled utilities offered a customer

assistance program. By tying SRF bonus payments to the use of rate assistance programs, the EPA could drive responsible utility management at the local level.

FEDERAL SOLUTION

Federal solution: A Low Income Sewer and Water Assistance Program (LISWAP) could use a statutory formula based on income, family size, and availability of resources to determine household eligibility; and then provide assistance to customers for their water utility bills. LISWAP aims to help low-income families pay for rising sewer and water bills caused by the pressing need for infrastructure investment.

A pilot program supporting such initiatives might provide incentives for such programs to grow throughout the country. Additional incentives could include amending the Clean Water SRF and the Drinking Water SRF programs to reward the implementation of such programs at the state and local levels.



POLICY NEEDED

Require EPA to establish a pilot program to offer incentive grants for low-income programs.

Congress should amend the Federal Water Pollution Control Act by requiring the Environmental Protection Agency to establish a pilot program that awards incentive grants to entities assisting low-income households in maintaining access to sanitation (water and sewer) services.

To be eligible for grants from the Clean Water and Drinking Water State Revolving Funds for this pilot program, entities must be municipalities, or public or private entities that own or operate public water systems.

**For more information, contact NAWC at 202-833-8383/
info@nawc.com or visit www.nawc.org.**

