

May 9, 2024

The Honorable Alex Padilla United States Senate 331 Hart Senate Office Bldg. Washington, D.C. 20510

Subject: Low-Income Household Water Assistance Program (LIHWAP) Establishment Act -SUPPORT

Dear Senator Padilla:

NATALIE ROGERS

On behalf of the City of Santa Rosa, I am writing to express our support for your bill, the Mayor Low-Income Household Water Assistance Program (LIHWAP) Establishment Act (Establishment Act). This legislation represents an important step toward ensuring families MARK STAPP across the country have access to clean, affordable drinking water.

Vice Mayor

JEFF OKREPKIE

EDDIE ALVAREZ The City of Santa Rosa Water Department (Santa Rosa Water) delivers approximately six VICTORIA FLEMING billion gallons of drinking water, each year, to over 53,000 customer accounts and provides DIANNA MACDONALD sewer collection for over 49,000 accounts. Santa Rosa Water established Help2Others CHRIS ROGERS (H2O), a financial assistance program that provides financial assistance to qualifying residential customers on a portion of their monthly water and sewer service charges. The Community Action Partnership of Sonoma County administers the program by working with community members to determine their eligibility. Since 2016, the H2O program has provided over \$1.4 million in subsidies to over 1,000 customers. Due to California law, establishing low-income rate assistance programs is challenging because water and sewer rates cannot be used to subsidize one class of customers. Santa Rosa Water is fortunate to have dedicated non-rate revenues to administer the H2O program, however, funds are limited.

> Like many, Santa Rosa Water and its customers are still feeling the economic impacts from the COVID-19 pandemic, as well as, California Governor Newsom's Executive Order N-42-20 issued on March 4, 2020, putting a moratorium on water shut-offs. With the impending end date of the temporary LIHWAP that Congress created under the Consolidated Appropriations Act of 2021 and the American Rescue Plan (P.L. 116-206; P.L. 117-2), it is critical that a permanent program is established to address the burden of rising water and sewer bills on low-income households.

> LIHWAP quickly became an essential lifeline for millions of people and the water and sewer systems serving them. Since program inception, Santa Rosa Water customers have received over \$190k in financial assistance. Ending this safety net would put hundreds of thousands



of households at risk of losing their water service and leave tens of thousands of water and wastewater systems without needed operational revenues. The Establishment Act would address this problem by providing a long-term authorization for LIHWAP.

While we are supportive of this effort, Santa Rosa Water is concerned that the Establishment Act, as written, would require local water and wastewater systems to be the administrators of the program. Like other water and wastewater systems, Santa Rosa Water has neither the resources to administer the program nor the ability to request and protect customer's financial information. The temporary program required the U.S. Department of Health and Human Services (HHS) to work with the states and stakeholders to develop program guidelines, which allowed the program to operate efficiently. We suggest that this model is maintained because it leverages social services resources and expertise of HHS, while enabling water and wastewater systems to interact with local service providers to directly access funds for qualifying customers. We believe this model offers the most potential for ensuring that LIHWAP is both accessible to those who need it the most and is MARK STAPP feasible for public water and wastewater systems. Additionally, with no funding source  $\overline{
m Vice\ Mayor}$  currently identified, we are concerned that previous efforts in California to place a tax on EDDIE ALVAREZ water to fund low-income assistance programs could potentially resurface. A tax on water VICTORIA FLEMING would have the largest impacts on those customers least able to afford it, defeating the DIANNA MACDONALD intent of the Establishment Act of ensuring access to affordable drinking water. It would CHRIS ROGERS also add the burden of collecting taxes by local water systems. We urge you to identify a sustainable funding source that does not negatively impact our low-income customers or place an undue administrative burden on water and wastewater systems.

NATALIE ROGERS

JEFF OKREPKIE

Santa Rosa Water is a member of the Association of California Water Agencies (ACWA), which represents more than 470 public water systems that supply over 90% of the water delivered in California for residential, agricultural, and business uses. We appreciate your willingness to work with ACWA to ensure the unique concerns of California water systems are addressed in the Establishment Act.

Thank you for your leadership in ensuring families across the country have access to clean and affordable drinking water. If you have any questions, please contact Nick Harvey, Deputy Director of Administration at (707) 543-3469 or via e-mail at <a href="Mailto:NHarvey@srcity.org">NHarvey@srcity.org</a>.

Sincerely,

Natalie Rogers

Mayor