

COVID-19 Financial Relief Funds for Customers and Utilities

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Water and Wastewater Finance Strategies Workshop
Environmental Finance Center, UNC School of Government
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COVID-19 Stimulus Bills with Financial Relief

Funding Made Available for Water and Wastewater Bill Payment Assistance in Federal Coronavirus Relief Programs

Factsheets



FEBRUARY 2021



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EMERGENCY RENTAL ASSISTANCE (ERA) PROGRAM

Administered by: The U.S. Department of the Treasury ([program webpage](#)).
Read [an overview from GFOA](#).

Grantees: States, the District of Columbia, U.S. Territories, tribal governments, and to individual large local governments with more than 200,000 people.

Total funds: \$25 billion. Allocated to grantees based on formulas. See payments made to [state and local governments](#).

Use of the funds: Assist renters (not homeowners or businesses) that are unable to pay rent and utilities due to the COVID-19 pandemic. More than 90% of awarded funds must be used for direct financial assistance to renters for 1) rent, including arrears, 2) utilities and home energy costs and arrears, and 3) other expenses related to housing incurred due directly or indirectly to the pandemic.

Provides relief for water bills? Yes. [The Treasury defined utilities](#) to include separately-stated electricity, gas, water and sewer, trash removal, and energy costs. Utilities covered by the rent will also be treated as rent through this program.

Eligibility ([see details](#)): Household that pays rent in a residential property with at least one person who has experienced financial hardship due to COVID-19, demonstrated a risk of housing instability, and has household income at or below [80% of the area median](#). Priority is given to households with more extenuating hardships, such as income below 50% of the area median or having been unemployed for more than 90 days.

Available assistance to eligible renters: Provides up to 12 months of assistance (with the possibility of another three months under some conditions). Priority is given to reducing arrears prior to providing assistance for future rent/utility payments, which would be limited to up to three months at a time. Can cover arrears that accrued as early as March 13, 2020. [See more details](#).

Process: Grantees (e.g. states, large local governments, tribes, etc.) may administer the programs or partner with organizations that already administer existing rental assistance programs. Renter (or landlord on behalf of the renter) must apply to verify income and attest the financial hardships are due to the pandemic. Program administrator will verify the information, document the assistance, and make payment on behalf of the renter directly to the utility and lessor (not to the renter). This will likely require communication between the program administrator and the water utility to determine the amount of the assistance to pay the renter's water bills and arrears.

Timeline: Funds generally need to be obligated by September 30, 2021. Unused funds will be recaptured by the Treasury and reallocated to grantees that had obligated at least 65% of their original allocation. These reallocated funds will be available until December 31, 2021, after which grantees may request a 90-day extension if necessary.

New collection of 1-page factsheets about the different funds.

<https://efc.sog.unc.edu/resource/funding-made-available-water-bill-payment-assistance-federal-coronavirus-relief-programs>

Published February 19, 2021

Summary Blog Post



Water Bill Payment Assistance in Multiple Federal Coronavirus Relief Programs

FEBRUARY 22, 2021 / SHADI ESKAF / 0 COMMENTS

At the time of this writing, Congress is debating passing another economic stimulus bill to provide relief against the COVID-19 pandemic. As the pandemic created hardships throughout the country for a year, the U.S. government passed two stimulus bills in 2020 that created or funded multiple financial relief programs for various needs. While there is no program that specifically provides relief to water and wastewater utilities' losses in revenue, there are [several programs funded through the two federal relief bills](#) that can help customers pay past due or current water and/or wastewater bills ("water bills" for short). Water bill payment assistance relieves some of the financial burden on customers that are in most need, and also provides utilities needed revenues to cover [unpaid bills and prevent shutoffs](#) in many cases. While there is financial assistance to pay water bills, the fragmentation of the programs can be complicated to navigate. This blog post provides a summary and links to [our new factsheets](#) that describe several federally-funded coronavirus relief programs to date that may be used to pay water bills. Information about where customers can go for help is provided.

Continue reading

<https://efc.web.unc.edu/2021/02/22/federal-relief-for-water-bills-covid-19/>

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- What and who do the programs fund?
- Which programs received relief funds that may be used to help pay for water bills
- A description of the Low-Income Household Drinking Water and Wastewater Emergency Assistance Program
- Where should customers go for help?

COVID-19 Stimulus Bills with Financial Relief

CARES Act (March 2020)

- Coronavirus Relief Fund
- CDBG-CV
- Emergency Solutions Grant
- Small Business Paycheck Protection Program

Consolidated Appropriations Act, 2021 (December 2020)

- Low-Income Household Drinking Water and Wastewater Emergency Assistance Program
- Emergency Rental Assistance Program

What they covered

Funds provided for

- Afflicted households under certain circumstances to help pay for housing and utilities (incl. water/wastewater)
- Unexpected/unbudgeted expenses related to combating the pandemic
- Small business private w/ww systems' operating expenses

Funds not available

- Reimbursement for local government and large utilities' losses in revenues
- Direct subsidy/stimulus for operations or capital
- *Direct* funds to waive/eliminate customer arrearages

Coronavirus Relief Fund

North Carolina	Total allocation	\$4,066,866,177.50
	<i>Eligible local governments that certified:</i>	
	Charlotte city	\$154,549,215.90
	Guilford County	\$93,732,720.60
	Mecklenburg County	\$39,199,343.60
	Wake County	\$193,993,721.20
	Payment to the state	\$3,585,391,176.20

- Reimburse necessary expenses through Dec 31, 2021
- *May* be used for water bills if grantees determine it's a necessary expense (not all agreed on this)
- WakeHelp

CDBG-CV



APPLICATION INTAKE CLOSED AT THIS TIME

- Help low and moderate income people address housing, employment, public service (incl. water/ww), access to improved infrastructure.
- NC received ~\$122 million, majority went to non-metro areas
- Administered in NC by NCORR (NC HOPE) (nc211.org/hope). Funds ran out.
- Metro cities (HUD Entitlement) received direct distribution

ESG-CV



APPLICATION INTAKE CLOSED AT THIS TIME

- Help prevent homelessness: shelter costs, hotel costs for isolation, rental assistance, utilities assistance, moving costs, etc.
- NC received ~\$78 million, majority went to non-metro areas
- Administered in NC by NCORR (NC HOPE) (nc211.org/hope)
- Metro cities (HUD Entitlement) received direct distribution

Low-Income Household Drinking Water and Wastewater Emergency Assistance Program

- First ever national program
- \$638 million nationally, dedicated to helping low-income customers pay water/wastewater arrears and current bills
- HHS administering. No details yet. Likely through NC HOPE. Not sure how much NC is getting yet.
- Payment from the program to the utility on behalf of individual household.

Emergency Rental Assistance

North Carolina	Total allocation	\$702,966,451.50
	<i>Eligible local governments</i>	
	Buncombe County	\$7,877,876.40
	Cabarrus County	\$6,528,517.40
	Charlotte city	\$26,714,160.00
	Cumberland County	\$3,735,545.10
	Durham County	\$1,244,759.40
	Durham city	\$8,414,809.00
	Fayetteville city	\$6,383,863.50
	Forsyth County	\$4,052,179.00
	Gaston County	\$6,772,100.60
	Greensboro city	\$8,949,177.90
	Guilford County	\$7,252,721.90
	Johnston County	\$6,313,949.50
	Mecklenburg County	\$6,775,689.80
	New Hanover County	\$7,072,025.10
	Raleigh city	\$14,298,566.90
	Union County	\$7,234,474.20
	Wake County	\$19,271,572.40
	Winston-Salem city	\$7,478,359.00
	Payment to the state	\$546,596,104.40

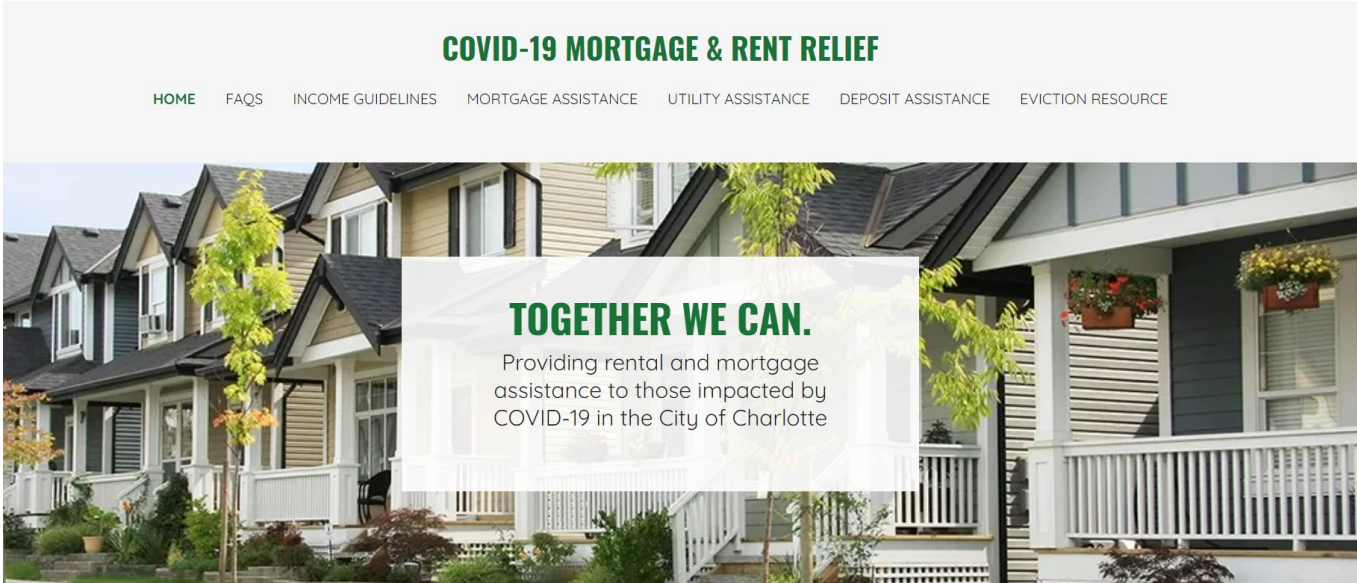
- Cover rent, utilities, and other expenses incurred due to the outbreak
- Defined water/ww as utilities; not stormwater
- Only renter households eligible
- Certain income thresholds and qualification requirements
- Up to 12 months of assistance plus 3 months if funds available.
- Should obligate by Sept 30 2021 ... but funds available through Dec 31 2021.


Distribution - example of Charlotte (ERA funds)



All \$26 million, with some specifications

Verifies with Charlotte Water on customer's arrears. Pays Charlotte Water on behalf of renter.



Application 

Household (Renter or Landlord on behalf of renter)

See the Housing Partnership's webpage <https://rampclt.com/>



Is there more on the way?

American Rescue Plan being debated in Congress would add funds to LIHDWWEAP and create a Homeowner Assistance Fund.

Stay tuned.



Local Bill Payment Assistance Programs

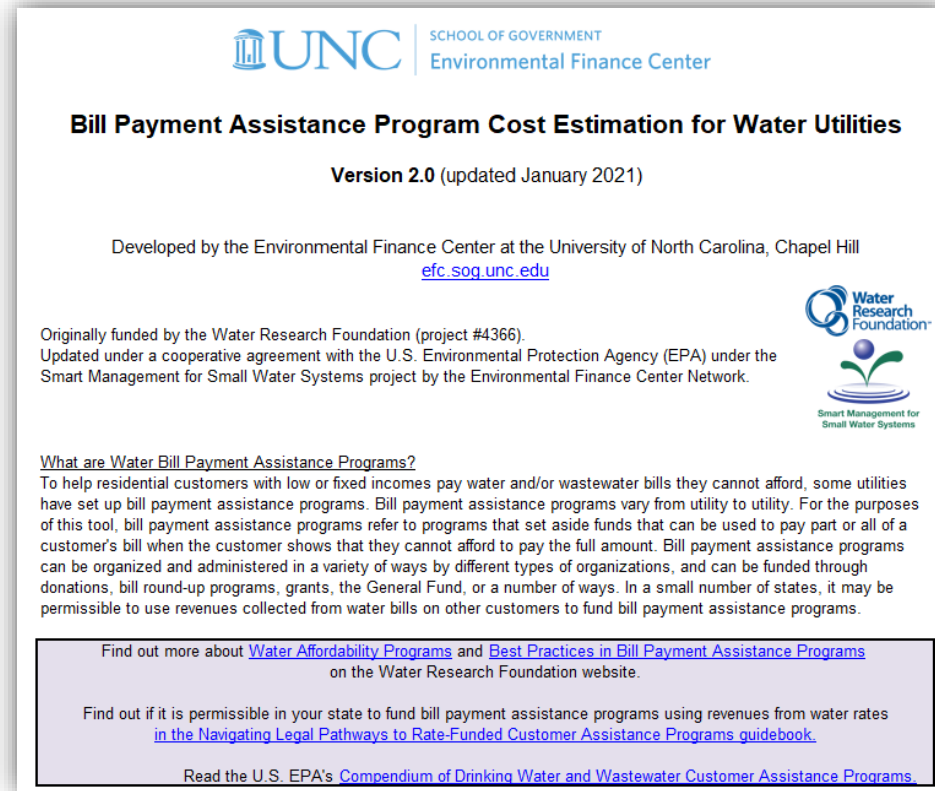
- Several utilities/local governments in North Carolina created or partnered with local gov in creating bill payment assistance programs
- Cannot use water/wastewater rate revenue
- Can use General Fund or donations/bill round up/fundraising
- Most partner with local charity to County department to administer

Bill Payment Assistance Program Cost Estimation for Water Utilities

<http://efc.sog.unc.edu> or <http://efcnetwork.org>

Find the most up-to-date version in Resources / Tools

Set eligibility criteria, enter Census data on your served communities (with instructions), and tool estimates the range of funds your new bill payment assistance program needs to generate to provide the assistance as desired.



The screenshot shows the title page of the tool. At the top left is the UNC logo (University of North Carolina) and the text 'SCHOOL OF GOVERNMENT Environmental Finance Center'. The main title is 'Bill Payment Assistance Program Cost Estimation for Water Utilities' with 'Version 2.0 (updated January 2021)' below it. It states the tool was developed by the Environmental Finance Center at UNC. Funding is attributed to the Water Research Foundation and the U.S. EPA. A section titled 'What are Water Bill Payment Assistance Programs?' explains the tool's purpose. A purple box at the bottom contains links to 'Water Affordability Programs', 'Best Practices in Bill Payment Assistance Programs', 'Navigating Legal Pathways to Rate-Funded Customer Assistance Programs guidebook', and the EPA's 'Compendium of Drinking Water and Wastewater Customer Assistance Programs'.



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Bill Payment Assistance Program Cost Estimation for Water Utilities

Version 2.0 (updated January 2021)

Developed by the Environmental Finance Center at the University of North Carolina, Chapel Hill
efc.sog.unc.edu

Originally funded by the Water Research Foundation (project #4366).
Updated under a cooperative agreement with the U.S. Environmental Protection Agency (EPA) under the Smart Management for Small Water Systems project by the Environmental Finance Center Network.



What are Water Bill Payment Assistance Programs?
To help residential customers with low or fixed incomes pay water and/or wastewater bills they cannot afford, some utilities have set up bill payment assistance programs. Bill payment assistance programs vary from utility to utility. For the purposes of this tool, bill payment assistance programs refer to programs that set aside funds that can be used to pay part or all of a customer's bill when the customer shows that they cannot afford to pay the full amount. Bill payment assistance programs can be organized and administered in a variety of ways by different types of organizations, and can be funded through donations, bill round-up programs, grants, the General Fund, or a number of ways. In a small number of states, it may be permissible to use revenues collected from water bills on other customers to fund bill payment assistance programs.

Find out more about [Water Affordability Programs](#) and [Best Practices in Bill Payment Assistance Programs](#) on the Water Research Foundation website.

Find out if it is permissible in your state to fund bill payment assistance programs using revenues from water rates in the [Navigating Legal Pathways to Rate-Funded Customer Assistance Programs guidebook](#).

Read the U.S. EPA's [Compendium of Drinking Water and Wastewater Customer Assistance Programs](#).

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