

RESOLUTION SUPPORTING THE CREATION OF LOW-INCOME AND EMERGENCY ASSISTANCE PROGRAMS FOR WATER AND WASTEWATER SERVICES

SPONSORED BY MAYOR LOVELY WARREN (ROCHESTER, NY)

WHEREAS, clean water and reliable wastewater services are essential utilities to which every person must have ready and affordable access; and

WHEREAS, the ongoing COVID-19 pandemic and economic downturn have highlighted affordability issues related to water and wastewater services. These affordability issues disproportionately impact low-income households and communities of color. For example, it has been estimated that low-income households spend an average of 12.4% of their disposable income each month on water and sewer services.¹ African American job losses during the pandemic and economic downturn have greatly outpaced other demographic groups. As of July 2020, the unemployment rate for African Americans stood at 14.6%, further exacerbating longstanding and persistent Black income and wealth gaps. As a result, these communities are most at risk of being unable to pay for critical water and wastewater services; and

WHEREAS, the pandemic and economic downturn have impacted the finances of municipal governments with local officials, on average, expecting a 13 percent decline in general fund revenues² forcing many cities to severely cut services and layoff or furlough employees; and

WHEREAS, state regulators and water service providers across the country have deployed a range of solutions, including temporary moratoriums on utility service disconnections, to ensure that every household continues to have access to essential water and wastewater services during the pandemic; and

WHEREAS, these temporary solutions have benefited many and underscore the importance of implementing permanent solutions to affordability issues. Long-term moratoria on water and wastewater disconnections are unsustainable and unsuited for addressing these challenges; and

WHEREAS, unlike for other utility services, there is a dearth of water and wastewater affordability programs at the state and federal levels. Subsidies for electric and gas service are available via the federal Low Income Home Energy Assistance Program (LIHEAP). As noted in a Resolution adopted by the African American Mayors Association in April 2017, “the purpose of LIHEAP is to assist low-income households,

¹ Manuel P. Teodoro & Robin Rose Saywitz, *Water and Sewer Affordability in the United States: A 2019 Update*, (April 14, 2020), <https://awwa.onlinelibrary.wiley.com/doi/abs/10.1002/aws2.1176>.

² *City Fiscal Conditions 2020*, National League of Cities, Aug. 2020, https://www.nlc.org/sites/default/files/users/user57221/City_Fiscal_Conditions_2020_FINAL.pdf.

particularly those under the poverty level, that pay a high proportion of household income for home energy to meet immediate home energy needs;”³ and

WHEREAS, the African American Mayors Association has recognized that “even though the number of households eligible for the LIHEAP program continues to exceed those receiving assistance, this funding has been a lifeline...helping to ensure that people do not have to choose between paying their energy bills and paying for food or medicine;”⁴ and

WHEREAS, Many low-income programs do not contemplate national crises with widespread economic consequences including high unemployment, therefore excluding countless families that find themselves in need of assistance; and

WHEREAS, there is growing support for creating a low-income and emergency customer assistance program for water and wastewater services provided by either municipal or privately owned utilities as a permanent solution to affordability challenges facing consumers of these services. The National Association of Regulatory Utility Commissioners (NARUC) and the National Association of State Utility Consumer Advocates (NASUCA), among other organizations, have adopted resolutions calling for the creation of such a program;⁵ and

NOW, THEREFORE BE IT RESOLVED, the African American Mayors Association supports the creation of a low-income and emergency customer assistance program for water and wastewater services, provided by either municipal or privately owned utilities, at the federal and state levels to ensure that all households, regardless of race or income, are able to better afford water and wastewater services; and

BE IT FURTHER RESOLVED, The African American Mayors Association supports the allotment of federal funds allocated for COVID-19 as part of the CARES Act to be used for water and wastewater customer assistance programs; and

BE IT FINALLY RESOLVED, that copies of this Resolution be dispatched to the President of the United States, the Vice President of the United States, Members of Congress, House and Senate Leadership, and other elected officials as appropriate.

³ *Resolution Calling for Increase in Low Income Home Energy Assistance (LIHEAP) Funding*, AAMA, April 2017, <https://www.ourmayors.org/files/sharedassets/public/resolution-calling-for-an-increase-in-the-low-income-home-energy-assistance-program-liheap-funding.pdf>.

⁴ Id.

⁵ *Resolution Recommending Federal Rate Relief Remedies for Low Income Water and Wastewater Customers Resulting from the COVID-19 Health Emergency*, National Association of Regulatory Utility Commissioners (NARUC), July 2020, <https://pubs.naruc.org/pub/B28DF0A6-155D-0A36-3159-E406229FC71A#page=9>; *NASUCA Recommendations Concerning the Effects of the Public Health and Economic Crises Resulting from COVID-19 upon Utility Rates and Services Provided to Consumers by Public Utilities*, National Association of State Utility Consumer Advocates (NASUCA), May 2020, <https://www.nasuca.org/nwp/wp-content/uploads/2020/05/2020-01-NASUCA-COVID-19-Policy-Resolution-Final-5-12-20-.pdf>.

