Local Interventions for Financial Empowerment through Utility Payments (LIFT-UP)

Houston, Texas
Population: 2,195,914 (from 2013 U.S. Census)

Program Goals: In 2013, the National League of Cities partnered with five pilot cities to launch Local Interventions for Financial Empowerment through Utility Payments (LIFT-UP), an innovative pilot program to help low-income families pay their utility bills and achieve financial stability. LIFT-UP aspired to 1) impact the payment patterns of residents with a history of unpaid utility bills, 2) identify a demand for the program from the target population and 3) determine whether the model is worth expanding based on its success with pilot participants.

This program allowed the City to test the framework of aligning local financial empowerment services with municipal utility department collections practices, with the goal of identifying our struggling families and assisting them to become financially secure.

Key City Partners:
Office of the City Controller: Served as the LIFT-UP Champion.
Department of Public Works and Engineering: Served as the team lead and provided incentives for clients who successfully completed the program. Additionally, provided program support and administrative data.

United Way THRIVE: Provided financial Counseling services and provided funding to enable a partnership with Central New Mexico Community College to provide training to the utility staff on how to provide financial counseling.

Alliance Financial Ministries, Inc.: Provided a one-hour class to participants to give a financial guide designed to inspire and empower the customer to change their financial situation.

Bank On Houston: Connected unbanked customers with receptive financial institutions.

Care for Elders: Initial LIFT-UP development partner and provided strong referral relationship with the utility to help existing clients who are struggling with their water bills.

Houston Highlights: Houston’s LIFT-UP team capitalized on the city’s strong financial empowerment non-profit network, which includes organizations such as United Way THRIVE and Bank on Houston. The Public Works and Engineering (PWE) Department partnered with United Way of Greater Houston to train PWE employees to serve as financial coaches to LIFT-UP participants, integrating financial literacy and financial empowerment services into the utility itself. This created a comprehensive financial education, incorporating both one-on-one financial counseling and group financial literacy classes that encouraged peer-to-peer learning and sharing.

Quote:

“It [LIFT-UP] has helped me immensely. We don’t have to worry about the late fees and cut off fees. We’re able to pay our bills. Just knowing that there is one bill that you can pay, it really does help. It not only helped me, it kind of bumped my self-esteem and my husband’s self-esteem and it breaks a person if they can’t provide for their family. It was good to know there was somebody to help me.” – Houston resident

Other details: The LIFT-UP pilot was supported by grants from the Center for Financial Services Innovation (CFSI) Financial Capability Innovation Fund II, the Ford Foundation, and the Annie E. Casey Foundation. As the program’s external evaluator, the Center for Financial Security (CFS) at the University of Wisconsin produced a process evaluation documenting the implementation process and will produce an impact evaluation. The National League of Cities’ Institute for Youth, Education, and Families provided each city with in-depth technical assistance and peer networking opportunities through site visits, cross-site convenings, conference calls, and partnerships with national experts.

Resources:

- Executive Summary: Implementation and Impact Evaluation of Local Interventions for Financial Empowerment through Utility Payments (LIFT-UP)