

Water Affordability for All

Everyone should have safe and affordable water. Yet, across the United States, communities face mounting threats to their water security due to contamination, flooding, sea-level rise, and drought, leading to rising costs in water and wastewater service.

Our water and wastewater systems are stressed from decades of disinvestment. Unlike investments in transportation, the share of federal funding for water utilities fell from over 60% in the 1970s [to below 10%](#), shifting the cost of water service onto states, localities, utilities, and ultimately ratepayers. America's drinking water systems need more than [\\$625 billion](#) over the next 20 years to get back into good shape.

Households across the U.S. are struggling to pay their rising water bills. Water rates are rising [faster than inflation](#) and all other utility costs. The nation's first [Water Affordability Needs Assessment \(2024\)](#) concluded that 30-48 million people in the U.S. live in households that face unaffordable water bills, and \$8.8 billion annually in federal assistance is needed to close this gap, though [other research](#) shows the scale may be even greater.

The burden of unsafe and unaffordable water falls on low-income communities, rural communities, and communities of color. [Black communities](#) have been disproportionately impacted by failing infrastructure and aggressive water shutoff policies, facing higher rates of [water disconnections](#). Farmworker communities in [California](#) pay twice for safe drinking water because their taps are contaminated, forcing them to rely on [more costly](#) bottled water.

No family in the U.S. should have to choose between paying for their water or paying for other essential needs, like food or heat. Yet, while the federal government provides financial assistance to low-income households for food and energy costs, there is no program to keep struggling families connected to water.

Martin County, Kentucky



Martin County is a small county in East Kentucky's coalfields where nearly 30% of the population lives in poverty. After decades of disinvestment, the county's public water system is so dilapidated that it loses nearly 70% of the water it produces each month. Because the system is so inefficient and needs to be completely rebuilt, Martin County has the second highest water rates in the state, according to a [report](#) by the Appalachian Citizens' Law Center and Martin County Concerned Citizens. In 2019, Martin County households faced a 41.5% increase in water service costs in just one year, and the report found water is unaffordable for nearly half of Martin County households, based on the EPA's water affordability standard, leading to financial stress and water shutoffs for many residents. Watch Martin County residents speak about their communities water affordability challenges [in a new documentary](#).

Federal programs to address water affordability

The [Low Income Household Water Assistance Program \(LIHWAP\)](#) helped more than 1.5 million households pay their water bills, preventing close to 1 million water disconnections, protecting public health and easing the financial burden for both stressed families and water systems. Despite its efficacy and having bipartisan support, LIHWAP was only established as a temporary program (2021 - 2024) and only reached 30% of U.S. drinking water systems.

Long-term water bill assistance is necessary to alleviate the cost burdens on water systems and households, while keeping families connected to live saving water. Lowering water bills, providing debt relief, and using other measures to reduce the water cost burden for low-income households are also needed, as part of a broader affordability agenda.

The Bipartisan Infrastructure Law (BIL) authorized an unprecedented \$43 billion over 5 years (2022-2026) to water infrastructure, though this is only a drop in the bucket of what is needed. Potential cuts to U.S. Environmental Protection Agency's (EPA) staff and budget may also negatively impact technical assistance (e.g. [WaterTA](#)) to underserved communities, ability to ensure efficient and equitable distribution of remaining BIL SRF dollars, and may potentially impact future year base SRF funds.

We need a comprehensive approach to address the growing affordability crisis — immediate water assistance to low-income households in the short term, while ensuring water affordability in the long term. This requires significant federal investments to upgrade, repair, and replace our existing water infrastructure and technical assistance to ensure that small and rural communities benefit from federal funds.

Water Affordability for All Framework

Since 2019, PolicyLink and the Water Equity & Climate Resilience (WECR) Caucus have been advocating for a permanent federal water assistance program alongside long-term solutions to ensure **Water Affordability for All**.

The WECR Caucus [Water Affordability for All Framework](#) can help decision-makers at all levels of government and utilities design water policies that bring us closer to a future where every person in the U.S. has access to safe, affordable water and sanitation. The framework includes three focus areas:

- **Funding for infrastructure and operations:** Every community is facing the pressure of rising water costs due to needed infrastructure updates, improved health and safety standards, inflation, and the added stress of flooding and drought. Sustained federal investment in water infrastructure and operations and maintenance is fundamental to ensure the cost doesn't fall on low-income households and communities. This means ensuring that (i) BIL SRF funding continues to be distributed through 2026, (ii) base SRF funding is not cut below recent levels, (iii) sufficient staffing is maintained at EPA headquarters and regional offices to ensure effective implementation of SRF programs, and (iv) annual reporting is conducted to ensure equitable distribution of both SRF programs.
- **Community-driven solutions for chronically failing systems:** Water is a public good. Water systems serving small, rural, low-income, and Tribal communities often fail to deliver safe water to their communities because they cannot keep up with the costs of operations and maintenance. We support policies and practices (including, technical assistance provision to underserved communities and national data collection) that target finding solutions for these chronically failing systems and support communities to design, govern, and maintain their own water systems.
- **Maintaining household access and keeping bills affordable:** Additional tools and policies are needed to ensure people facing the greatest economic burdens maintain access to water, regardless of income. That includes income-based bill structures, ending of water shutoffs due to the inability to pay, and establishing a permanent, national low-income water bill assistance program.

About the Water Equity & Climate Resilience Caucus

The [WECR Caucus](#) (climatewaterequity.org), anchored by PolicyLink, is a national network of over 80 organizations centering low-income communities and frontline communities of color in working to achieve water equity and climate justice through federal and state policy advocacy.

About PolicyLink

[PolicyLink](#) is a national research and action institute working to build a future where all people in the United States of America can participate in a flourishing multiracial democracy, prosper in an equitable economy, and live in thriving communities of opportunity.