



## WHAT YOU NEED TO KNOW:

# Water Affordability Needs Assessment Report

Access to safe and affordable drinking water and wastewater services is essential for human health, and a necessity for communities to function and thrive. Yet, unaffordable water bills are a widespread and growing issue, impacting millions of households throughout the nation. Many low-income households are struggling to pay their water bills, leading to economic stress and the potential to lose access to water services or even their homes in certain instances. When households are unable to pay their water bills, service disconnections can have impacts that include public health concerns, economic instability, social inequality, and psychological and psychosocial stress.

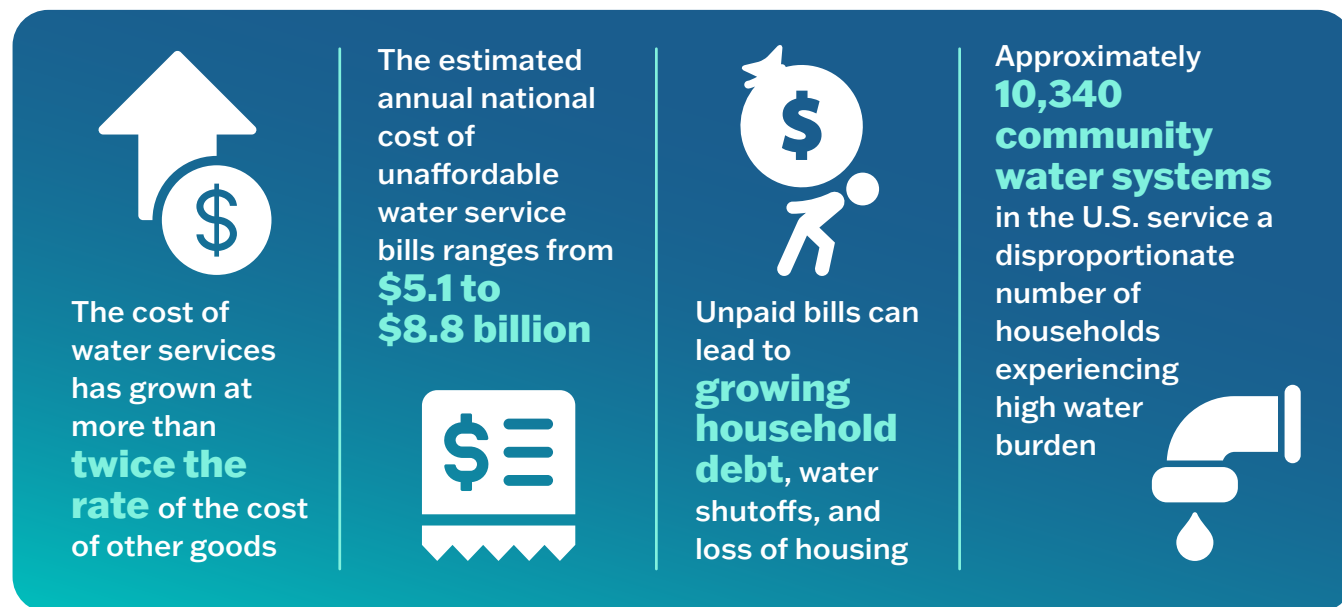
Water utilities, meanwhile, are working to meet rising costs for operations and maintenance, upgrading aging infrastructure, and protecting public health and the environment, while facing difficult decisions about raising rates—often with the possible consequence of taking on substantial financial risk. As a step toward alleviating these challenges, the report discusses how a national water services affordability program could help bring relief to struggling households and communities.



BETWEEN  
**12.1 AND 19.2  
MILLION  
HOUSEHOLDS**  
LACK ACCESS TO  
AFFORDABLE  
WATER  
SERVICES




EPA's Water Affordability Needs Assessment Report provides an understanding of the impact of the water affordability burden felt across the U.S. among households and utilities, as directed in the [Infrastructure Investments and Jobs Act \(IIJA\), Section 50108](#). The report summarizes decades of work; highlights utilities, academics, and associations that have been at the forefront of this research; and develops approaches to address water affordability concerns.



### **EPA gathered input from a wide range of interested parties, including:**

- Utilities
- Associations
- Academia
- Nonprofits
- Community-based organizations
- Advocacy groups
- Interested members of the public

**The report discusses how a permanent federal assistance program can bring relief to communities and utilities across the U.S., where efforts to close the affordability gap are falling short.**



**Establishing a  
Federal Water  
Assistance  
Program**

**Increasing  
Ways to  
Reduce Water  
Infrastructure  
Capital and  
Operating  
Costs**

**Increasing  
Education,  
Outreach, and  
Knowledge Around  
Solutions to Address  
Affordability**

**Future  
Work and  
Coordination**

## Recommendations

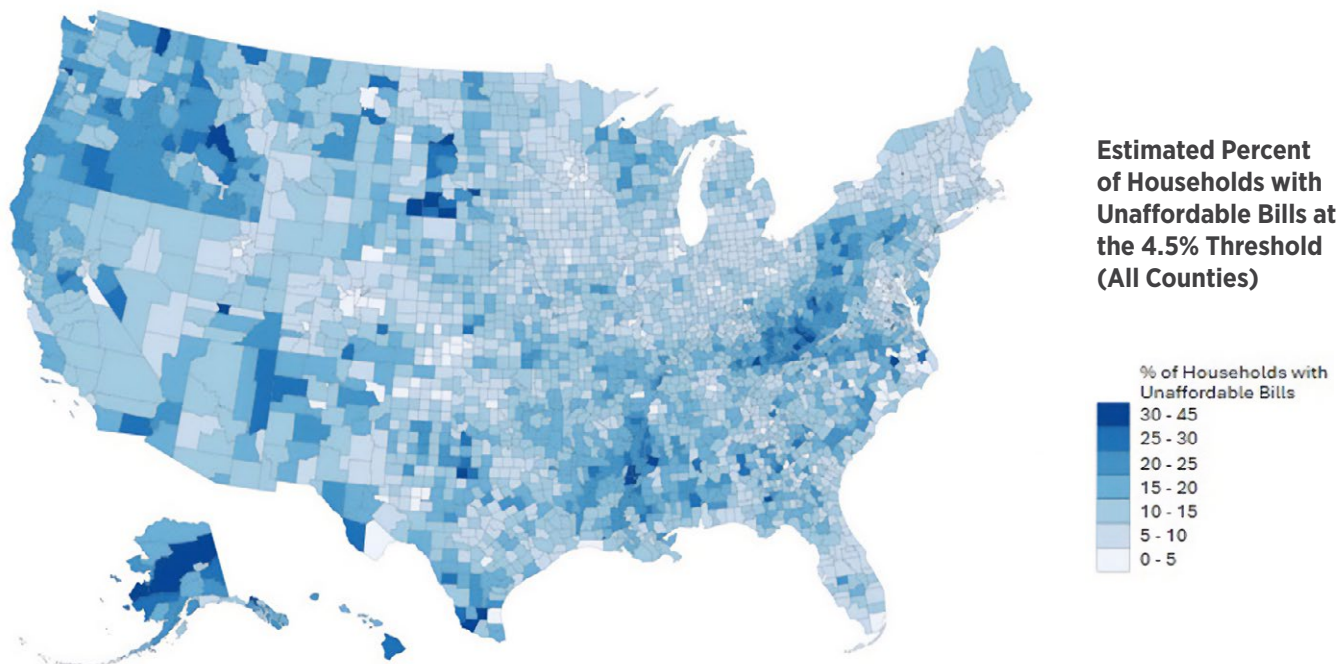
The report presents recommendations to address water affordability challenges, many of which were raised by interested parties throughout the report development process. These recommendations are only a few pieces of a larger puzzle; there is no single solution to the challenge of water affordability. Long term sustainable change will require coordination and work from all levels of government and stakeholders, and much more work is needed in the future.

### **Investment in capital programs is required to ensure that water utilities continue to protect health, safety, and the environment.**

The need for both capital investment and operations support still outpaces the tools at utilities' disposal. Large-scale, sustainable change requires addressing the systemic challenges in how water utilities are funded, how rates are set, and how assistance programs are established to support rate payers. It also requires continued investment in the nation's aging infrastructure. Within this context, however, a national water services affordability program can serve as a critical tool for alleviating some of the financial stress faced by households and utilities around the country.

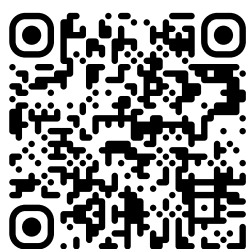






The map above provides a snapshot of household water affordability across the country, using imputed rates as necessary. Counties shaded darker are estimated to have a higher percentage of households with unaffordable bills. There is significant variation in the percentage of households with unaffordable bills.

Continued research is crucial to better understand water affordability challenges across the U.S., identify disparities in affordable access to water services, and guide the development of policies and programs to promote equitable access. Developing solutions to address those challenges will require all levels of government, community advocates, utilities, and other interested parties to work together on long-term approaches. EPA plans to continue to address data gaps over the next year and will continue to develop tools, studies, and resources to help address water affordability challenges.



**To learn more, visit the EPA Water Affordability website:**

<https://www.epa.gov/waterfinancecenter/water-affordability>