

INVESTING IN CLEAN, SAFE, AND AFFORDABLE WATER: A WIN-WIN FOR MICHIGANDERS' HEALTH & OUR ECONOMY

Water is essential for individual health, public health, and our economy. Unfortunately, as many as one in 20 homes have their water disconnected annually due to being unable to afford their water bill. This has a ripple effect with low-income families and their communities bearing the brunt of physical and financial costs.

Every year, the water access gap causes 219,000 cases of waterborne illness and 71,000 cases of mental illnesses, costing our economy 68.7 million work hours and an estimated 610 lives. As a result, each household without access to running water or basic plumbing costs the U.S. economy \$15,800 per a year in health care costs, time spent collecting and paying for bottled water, loss of time at work or at school, and premature death. Collectively, this water access gap costs the U.S. economy \$8.58 billion annually.

Closing this water access gap can transform lives by eliminating 36,400 cases of diabetes a year and help families save the approximately \$1,350 they spend on bottled water to drink, cook, and bathe. In addition, it is more likely that a portion of uncollectible revenue will be obtained through a water affordability program than not obtaining any uncollectible revenue at all. That is, more revenue will be realized from households paying an affordable rate, as compared to nonpayment of the current, unadjusted rate.

In fact, according to *Draining: The Economic Impact of America's Hidden Water Crisis*, a report by DigDeep, creating a water affordability program to ensure everyone can have access to water could create nearly \$200 billion of economic value over the next 50 years.

Any water affordability program created should ensure that all people will have access to clean, safe, and affordable water by creating a water affordability program within the Michigan Department of Health & Human Services that would:

- Require water systems to apply a tiered water rate based on gross household income for low-income customers 135%, 150%, and 200% of the federal poverty line so everyone pays a bill they can afford
- Provide a simple way to verify a customer qualifies for a water affordability program and at what tiered rate
- Limit the circumstances in which a utility may shut off a customer's water service
- Provide protections for tenants who may be unable to pay their water bill or whose landlord is struggling to pay the water bill
- Provide protections for certain customers who are unable to afford their water bill from water shutoffs, procedures for notifying customers when water shutoffs will occur, and processes for which low-income customers can appeal a decision
- Provide a process for customers to receive forgiveness of their water debt

TOGETHER WE CAN CREATE A THRIVING, PROSPEROUS MICHIGAN WHERE EVERYONE WANTS TO LIVE, WORK, AND PLAY.

Scan the QR code to read the economic feasibility study: Water Affordability Analyses for Six Michigan Communities



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