



WEL COALITION: FIGHTING FOR RELIABLE, AFFORDABLE WATER IN EVERY TAP

WHY WE NEED THE AFFORDABLE WATER NOW BILL

The need for affordable water is undeniable in Michigan, where water bills have surged by an average of 40% since 2010 and up to 320% in some cities. The Affordable Water Now Act proposes a crucial solution that could lower water costs while increasing water utility efficiency and total collections.

The 2024 election proved that Americans and Michiganders are tired and unable to keep up with rising costs. Michigan is surrounded by freshwater, and there is no reason we should pay more than most Americans for this basic need. **The Affordable Water Now Bill offers a solution for families overburdened by escalating costs—a financial break and pathway to fair, affordable water rates.**

KEY COMPONENTS

Giving Michigan Families a Break

- **Income-Based Water Billing:** This approach adjusts water bills using a sliding scale relative to federal poverty level (FPL) and household income, ensuring water costs are manageable and everyone pays their fair share.
- **Debt Forgiveness:** Offers debt forgiveness for customers who keep up with their adjusted bills, alleviating financial stress on households and preventing costly water shutoffs.
- **Water Shutoff Protections:** Protects enrolled customers from water shutoffs and households with minors, pregnant individuals, seniors, or those with medical needs. Limited renter protections included.

The AFFORDABLE WATER NOW BILL is not just a legislative measure; it is a commitment to Michigan's future strength and prosperity.

Voters are demanding policies that lower costs and pave the path to greater financial stability and prosperity.



What is Driving Skyrocketing Water Rates?

Rising water rates are driven by reduced federal investment, escalating maintenance costs, aging infrastructure, and a declining ratepayer base. Rather than address these issues with sustainable and responsible solutions, rising costs are pushed to households, making basic water services unaffordable.

Shutting off water to households unable to keep up with rising rates actually costs millions of dollars a year. Instead of wasting that money, we could increase collections and reduce wasteful spending through tiered water rates based on income.



For more Information:

Kristy Meyer, Campaign Director - kristy@welcoalition.org, (614) 638-8948

Todd Tennis, Capitol Services - TTennis@capitol-services.com, (517) 372-0860

welcoalition.org

What are The Benefits of Affordable Water?

Attracting and Retaining People by Making Michigan More Affordable: By reducing the water bill burden, the bill would foster greater financial independence and stability for families.

Building Safer, Stronger Communities: Consistent and affordable water access ensures public health and community strength. Students miss fewer days of class, workers miss fewer days of work, and families thrive when basic needs are met consistently.

Enhancing Michigan's Economic and Environmental Resilience: The bill would support job growth through investments in water infrastructure and complement efforts towards sustainable energy and efficient resource use.

Demonstrated Success: Philadelphia's Tier Assistance Program (TAP)

Philadelphia's TAP has significantly improved water bill collection rates, which ensures that water utilities operate more effectively. After implementation, billing collection rates under TAP for low-income households have remained robust at approximately 72%, a substantial increase over pre-TAP figures. Over a two-year period, these rates have occasionally climbed to as high as 95.7%, showing a consistent improvement in payment compliance. The success of this program shows that billing for water at a fair rate can actually lead to more payments.

How does the sliding income scale work?

Those receiving federal or state assistance or earning up to 200% of the FPL qualify for the water affordability program. Bills are capped as follows:

- ≤135% FPL – 2% of monthly income
- 135%-150% FPL – 2.5% of monthly income
- 150%-200% FPL – 3% of monthly income

What water services are capped according to the sliding income scale?

Under the Affordable Water Now Act, drinking water, sewer, and stormwater will be capped according to the income sliding scale.

Does this include tenant protections?

Yes. Tenants in multi-dwellings without submeters are protected from water shutoffs if the landlord fails to pay the bill. Those in sub-metered units can enroll in the water affordability program if they meet the 200% FPL requirement, and landlords must reduce rent by the tenant's water payment.

How does the water debt forgiveness part of the program work?

Qualified customers receive full debt forgiveness if arrears are \$1,500 or less at enrollment. If over \$1,500, forgiveness is granted in stages:

- \$1,500 at enrollment
- Another \$1,500 after 12 months of participation and consecutive payments
- Remaining balance after 24 months of participation and consecutive payments

Who is included in the ban on water shutoffs?

The ban on water shutoffs includes:

- Qualified Customers – Those with a household income at or below 200% of the federal poverty level.
- Tenants in Multifamily Dwellings – If the landlord is responsible for the water bill, the utility cannot shut off service for nonpayment.
- All Customers During a State of Emergency – Water systems must halt shutoffs and restore service until the emergency ends.
- Protected Households - Households with customers or family members with medical needs, senior citizens, pregnant people, and children under the age of 18.