

Water Affordability:

A National Challenge Requiring A National Solution

State utility regulators are calling for a permanent federal water affordability program.

Safe, reliable water service is essential to public health, economic opportunity and quality of life. Yet, affordability remains a concern for some households as communities across the country confront significant water and wastewater infrastructure investment needs. Recognizing these realities, the National Association of Regulatory Utility Commissioners (NARUC) adopted a **2026 Resolution Urging Establishment of a Permanent Federal Water Affordability Program**, formally urging federal policymakers to create a permanent affordability framework that complements state, local, and utility-led efforts.

The American Water Works Association estimates:

- A U.S. drinking water infrastructure funding gap of **\$56.6 billion**.
- Total drinking water infrastructure needs of **\$2.1 trillion to \$2.4 trillion** between 2026 and 2050.
- If communities rely solely on water bills to close the funding gap, average annual household drinking water costs could increase from **\$429 in 2025 to \$969 by 2050**, more than doubling in real terms.

Approximately **148,000 public and private water systems serve 90% of U.S. consumers**, making affordability a challenge that affects communities of all sizes and ownership models.

**Between
12.1 million and
19.2 million
households
throughout the
United States lack
affordable access to
water services.**

Why NARUC Supports a Permanent Federal Program

The reality: communities depend on affordable water and wastewater services and continued investment in critical infrastructure. A permanent federal affordability program could:

Help low-income households maintain access to essential water and wastewater services.

Complement existing utility, state, and local affordability programs.

Support continued investment in safe, reliable water and wastewater infrastructure.

Advance public health by helping reduce service disruptions for vulnerable households.

Create more consistent assistance opportunities across the country.

References

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