Fact Sheet

2026 SAFER Drinking Water Needs Assessment

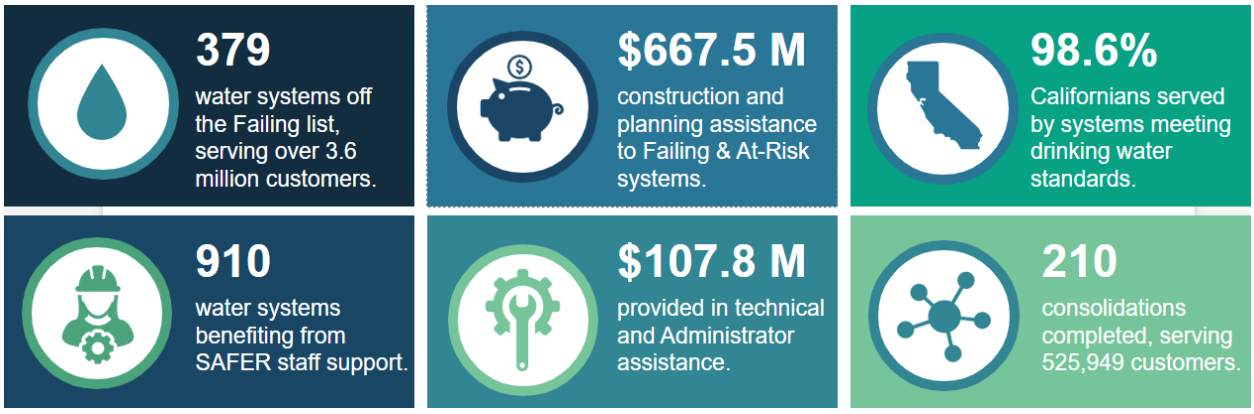
The State Water Resources Control Board's sixth annual Drinking Water Needs Assessment describes the overall health of the state's water systems and domestic wells and California's challenges and progress to achieving the Human Right to Water. The annual report also helps direct funding and regulatory work of the Safe and Affordable Funding for Equity and Resilience (SAFER) drinking water program.
The 2026 report:

- Identifies **communities** with water systems that are Failing or At-Risk of failing to provide safe drinking water.
- Identifies **affordability challenges** that could pose barriers to the implementation of these solutions.

SAFER PROGRAM ACCOMPLISHMENTS (2019 – 2025)

As of December 31, 2025, nearly seven years into the SAFER program, the State Water Board has awarded over $1.27 billion in drinking water grants to disadvantaged communities across California, averaging $181 million per year. This represents a significant increase from the $310 million distributed in the five years prior to SAFER, which averaged $62 million annually. In this same period (2019-2025), 379 water systems serving 3.66 million people have come off the Failing list and 210 consolidations, benefiting approximately 525,949 people, have been completed (see Figure 1 below).

Figure 1: SAFER Program Accomplishments (2019 - 2025)



Failing Water Systems

98.6% of California's population receives water from systems that meet or exceed drinking water standards. As of December 31, 2025, there were 406 Failing public water systems, serving 645,279 Californians. Approximately 79.1% of Failing systems serve disadvantaged communities and 53.9% serve majority communities of color. These systems have received $591 million in funding and technical assistance from the State Water Board. The results of the historical and the current list of Failing water systems are accessible online through the State Water Board's Public Water System Failing List Dashboard. The Dashboard is updated quarterly.

Risk Assessment Results

As of December 31, 2025, there were 654 At-Risk public water systems, serving a population of approximately 1,795,865 people. At-Risk public water systems have received $274 million in funding and technical assistance from the State Water Board. The detailed results of the Risk Assessment are accessible online through the State Water Board's Public Water System Risk Assessment Dashboard. The Risk Assessment Dashboard provides a quarterly updated overview of the risk status of public water systems across California

Cost Assessment & Funding Gap Analysis Results

Senate Bill 200 directs the State Water Board to "estimate the funding needed for the next fiscal year based on the amount available in the fund, anticipated funding needs, other existing funding sources. Thus, the Cost Assessment estimates the costs related to the implementation of interim and longer-term solutions for Failing and At-Risk public water systems, state small water systems, and domestic wells.

In 2024, The State Water Board hosted five public workshops to solicit stakeholder feedback on the 2024 Cost Assessment. More information about the Cost Assessment's enhancements can be found online.

The 2024 Needs Assessment included updated Cost Assessment results for Failing and At-Risk public water systems. The following points summarize the results:

1. Estimated long-term and interim cost needs for only Failing and At-Risk public water systems serving disadvantaged communities (DAC) was approximately $3.7 billion (69%) of the total estimated need for Failing and At-Risk systems. The Cost Assessment estimated $1.75 billion for Failing DAC public water systems and $1.97 billion for At-Risk DAC public water systems.
2. The total estimated cost for long-term solutions for all Failing and At-Risk public water systems was $4.9 billion, which was approximately $1.5 billion (44%) higher than the 2021 Cost Assessment results.
3. The total estimated cost for interim solutions for all Failing and At-Risk public water systems was $466 million. This was approximately $379 million (45%) lower than the 2021 Cost Assessment results.

The 2024 Cost Assessment also estimated the total long-term and interim cost needs for high-risk state small water systems and domestic wells to be approximately $4.9 billion.

Due to minor changes to the number of Failing and At-Risk systems, the State Water Board did not update the Cost Assessment estimates in the 2025 and 2026 Needs Assessment.

Affordability Assessment Results

The Affordability Assessment identifies community water systems and non-transient non-community (NTNC) water systems serving K-12 schools that serve disadvantaged and severely disadvantaged communities (DAC/SDAC) that may face financial management issues due to customer fiscal stress. The Median Household Income (MHI) methodology used in the Affordability Assessment has been updated and the updated MHI values are used in the Affordability Assessment beginning in June 2026. Additional details on data sources, calculation methodologies, and thresholds are detailed in Appendix: Affordability Assessment Methodology. The results of the Affordability Assessment are accessible online through the State Water Board's Public Water System Affordability Assessment Dashboard.

ABOUT THE SAFER PROGRAM & THE NEEDS ASSESSMENT

The SAFER program is a set of tools, funding resources, and regulatory authorities coordinated to assist California communities as they work to develop local capacity to ensure reliable access to safe drinking water. The results of the annual Needs Assessment are used by the State Water Board's SAFER program and the SAFER Advisory Group to inform the prioritization of available state funding within the Safe and Affordable Drinking Water Fund Expenditure Plan.

Figure 2: How the Needs Assessment is Utilized by the SAFER Program

All the methodology, documentation, and dashboards related to the development of the 2026 report can be found on the State Water Board's Drinking Water Needs Assessment website. The report includes the following core updates:

- **Technical, Managerial, and Financial (TMF) Capacity**: Effective March 2026 a new TMF risk indicator was added:

  - **Receiver or Administrator Status:** Presence of receiver or administrator is classified automatically as high-risk, as an external body was necessary to manage part or all of the public water system. This threshold is based on the State Water Board staff's judgment that such conditions indicate a water system's lack of ability to maintain compliance and provide reliable service on its own.

- **Median Household Income (MHI) Methodology Update**: The June 2026 methodology improves accuracy by incorporating additional census geographies, including ZIP Code Tabulation Areas (ZCTAs), and residential tax parcel data to better identify the best-fitting census geography boundaries. The methodology transitions from an area-weighted to a population-weighted framework and applies multiple estimation strategies based on water system size, geographic overlap, and parcel distribution. American Community Survey (ACS)-provided Margins of Error (MOEs) are incorporated into all MHI calculations, with proportional adjustment and propagation when estimates are scaled or combined across multiple geographies.

  - **Percentage of Median Household Income (% MHI) Indicator Update**: Measures water affordability as a percentage of MHI; the June 2026 update uses MHI estimates calculated using enhanced population-weighted methodology, expanded census geography coverage, residential parcel data, updated MOE treatment, and refreshed underlying water rates data for greater accuracy.

  - **Disadvantaged Community (DAC) Status**: Based on MHI thresholds below 80% of the statewide MHI for DAC, below 60% for SDAC, this classification supports identifying priority water systems and guiding equitable funding

(*This Fact Sheet was last updated June 2026*)