

Fact Sheet

DIVISION OF DRINKING WATER

Equity/HR2W



Human Right to Water & Equity

Implementation of the 2020 Safe Drinking Water Plan (2020 Plan) recognizes that safe drinking water is fundamental to the health of all communities in California and focuses on recommendations necessary to achieve compliance with the Safe Drinking Water Act. The 2020 Plan contains recommendations for public water systems. These recommendations are grouped in four thematic areas: Sustainability, Equity/Human Right to Water, Emergency Preparedness, and Program Action. This factsheet includes background information and recommendations related to the Equity and Human Right to Water theme.

The Human Right to Water law establishes the right of every human being to have safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitation. There are many challenges to

addressing the Human Right to Water. Some of these challenges include climate change impacting the reliability of safe drinking water supplies, the costs of constructing and maintaining water systems, customer affordability, and a high number of unsustainable small public water systems in [disadvantaged communities](#).

Equity as a component of the human right to water means addressing the continuing disproportionate environmental burdens faced by communities systematically. Every water system has its own unique set of challenges, which requires specific and tailored responses to removing barriers and increasing equity. Targeting systems with drinking water standards violations and rural and small water systems that are least likely to be able to afford upgrades ensures equitable progress from the ground-up.

Legislative efforts to achieve the human right to water:

- SB 200 (2019) Modified a section of SB 1263 to authorize the State Water Board to deny the permit of a proposed new public water system if the board determines that consolidation is a feasible alternative.
- SB 88 (2015) Grants the State Water Board authority to mandate certain water systems consolidate when a water system consistently fails to provide an adequate supply of safe drinking water in a [disadvantaged community](#).
- AB 685 (2012) makes California the first state in the nation to legislatively recognize the human right to water.
- AB 401 (2015) Directs the State Water Board to create a plan that covers funding and implementation of a Low-Income Water Rate Assistance Program. This also requires the State Water Board to submit a report that evaluates water rates and affordability for customers of public water systems to ensure safe drinking water. Mutual Aid and Emergency Response Plans

Affordability as a Barrier to Equity

California's Human Right to Water law refers to access to affordable drinking water. High water rates can make water unaffordable to some Californians, disproportionately affecting residents of low-income communities. The AB 401 report evaluates water rates and affordability for customers of public water systems to assess affordability of safe drinking water.

Water affordability can be considered at both the household and community level. The impact of the cost of water for households and communities can vary depending on housing costs, other utilities, medication, and family needs. The high cost of water can sometimes force families to make difficult tradeoffs, which can pose a risk to their health and well-being. Affordability is difficult to define and quantify as it varies from case to case, depending largely on both household and community socio-economic factors.



Rate Structures and Affordability

A key concern for community water systems is whether current rate structures, along with any existing monetary rainy-day funds are enough for sustainable operation and maintenance of a system. Water systems must account for fixed costs of water and variable costs of water. Fixed costs are incurred regardless of the volume of water produced, such as cost to build a treatment plant or a new well. Variable costs are expenses that differ based on the amount of water produced, such as energy and chemical costs.

When water rate structures account for the true costs of operation and maintenance, water rates can provide a stable source of ongoing revenues for water systems. When water systems do not accurately gauge their operations and maintenance costs, or do not regularly redo their water rate studies, they often do not charge the true costs for providing water. Because the water rates do not cover the costs for repairs or maintenance, water systems may not be able to sustainably provide safe drinking water.

Reliability of revenue is often challenging for small systems serving disadvantaged communities. Proposition 218 requires that property-related fees for water service cannot be greater than the cost of service, and that the profit from such fees must be less than the funds required to provide the property-related service. However, Proposition 218 makes it difficult for some water systems to increase rates to cover costs because it requires voter approval, and in many low-income communities, increasing water rates would add further economic stress to low-income households. As a guiding principle, the cost of water should not pose a barrier to access.

Asset Management Plans

Asset management plans help ensure that water systems complete financial planning and that their governance decisions are made with a full understanding of the costs of water. Asset management plans can address affordability throughout communities by dispersing costs in a more equitable way.

Most community water systems charge for providing water services. These rates are intended to cover current expenses for operating and maintaining the water system and planned future projects, such as pipeline replacements. However, some community water systems are not building a reserve to fund infrastructure replacement resulting in a growing gap between infrastructure needs and the ability to pay for them. Water systems are better prepared to set adequate rates when asset management plans are developed. If the needed rate structures are unaffordable for some portion of the population, it may be necessary for the water system to find ways to expand rate bases, decrease overhead through water partnerships, or explore low-income assistance programs.

Top three recommendations for Equity and the Human Right to Water

The 2020 Safe Drinking Water Report identified [10 recommendations for equity and human right to water](#). Below are the top three recommendations:

Each public water system should be required to analyze the adequacy of their rate structure and asset management plan. Many small water systems have water rates that are too low and some still have flat rates. The State Water Board can provide technical assistance to small water systems to support this work.

Options should be developed and evaluated to make drinking water affordable for all low-income households, including evaluating the potential for establishing an appropriate water service subsidization program for low-income households served by a public water system that charges unaffordable rates. Assistance should be provided to low-income households that face discontinuation of water service due to lack of payment in order to protect human health.

Consumers may not understand the costs associated with the operations and maintenance required to reliably provide safe drinking water. The State Water Board will collaborate with the water utility industry, public interest groups, local non-profit organizations, and other organizations to develop strategies to educate consumers on the factors that affect the cost of operating a water system. Proposition 218 has made it difficult for water systems to increase their rates to address critical infrastructure funding needs.

For additional information on equity and the human right to water, visit:

[Human Right to Water | California State Water Resources Control Board](#)

[Safe and Affordable Funding for Equity and Resilience | California State Water Resources Control Board](#)

[Recommendations for Implementation of a Recommendations for Implementation of a Statewide Low-Income Water Rate Assistance Program Report \(ca.gov\)](#)

[2020 Safe Drinking Water Plan- Chapter 9, Drinking Water Cost and Affordability](#)

For questions regarding emergency preparedness, contact:

Division of Drinking Water, Technical Operations Section at DDW-TechOps@waterboards.ca.gov or (619) 525-4021