



SAFE AND AFFORDABLE FUNDING FOR EQUITY AND RESILIENCE

Safe and Affordable Funding for Equity and Resilience Advisory Group

June 26, 2025 Meeting Materials Packet

Please review this packet before the meeting.

Topic #1 – Needs Assessments Results

State Water Resources Control Board

Topic #1 – Needs Assessment Results

1. Summary

The 2025 Drinking Water Needs Assessment, prepared by the California State Water Resources Control Board, provides a comprehensive evaluation of the capacity of public water systems, state small water systems, and domestic wells to deliver safe, accessible, and affordable drinking water. Guided by the Human Right to Water and the goals of California's SAFER program, the assessment identifies 390 Failing and 589 At-Risk public water systems, along with numerous high-risk state small systems and domestic wells. It highlights the role of SAFER program interventions—such as technical assistance, consolidations, and administrator appointments—in addressing these challenges. The report also supports the strategic allocation of resources through the Safe and Affordable Drinking Water Fund Expenditure Plan and underscores the importance of sustained, coordinated efforts to improve drinking water access across the state.

2. Top three changes in this year's Needs Assessment

- Updated Medium Household Income (MHI) calculation methodology to improve data coverage and accuracy.
- Risk Assessment on State Small Water Systems (SSWS) / Domestic Wells (DW) included five additional contaminants this year – hexavalent chromium, perfluoro hexane sulfonic acid (PFHxS), perfluoro-octanoic acid (PFOA), perfluoro octane sulfonic acid (PFOS), and perfluoro-butane sulfonic acid (PFBS).
- The 2025 Needs Assessment did not include an updated Cost Assessment or Funding Gap Analysis, as the changes in the number of Failing and At-Risk systems were minimal and did not necessitate an update. Latest result is in the 2024 Needs Assessment

3. Questions

- Do you have any suggestions regarding the Failing Criteria, such as potentially expanding the criteria to include the new hexavalent chromium health standard?
- What would you like to hear about as we progress in developing technical, managerial, and financial regulations?



EXECUTIVE SUMMARY

The Human Right to Water (HR2W) recognizes that "every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking and sanitary purposes." In 2019, to advance the goals of the HR2W, California passed Senate Bill 200 (SB 200), which enabled the State Water Board to create the Safe and Affordable Funding for Equity and Resilience Drinking Water program (SAFER program). SB 200 established a set of tools, funding sources, and regulatory authorities that the State Water Board harnesses through the SAFER program to help struggling water systems sustainably and affordably provide safe drinking water. The SAFER program is driven by collective responsibility: water systems, non-profit organizations, governments, a community advisory board, and other interested parties work together to develop and implement solutions.

As of December 31, 2024, nearly six years into the SAFER program the State Water Board has awarded over \$900 million in drinking water grants to disadvantaged communities across California, averaging \$150 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, 321 water systems serving 3.3 million people have come off of the Failing list and 170 consolidations, benefiting approximately 324,101 people, have been completed.

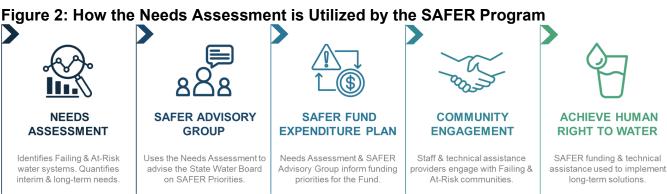
Figure 1: SAFER Program Accomplishments (2019 - 2024)



The Needs Assessment is a comprehensive, data-driven analysis that:

- 1. Identifies communities served by Failing public water systems.
- 2. Predicts which public water systems are At-Risk of Failing, and identify state small water systems and domestic wells in areas of high risk.
- 3. Estimates how much it may cost to achieve the Human Right to Water for Failing and At-Risk systems and the communities they serve (last conducted in 2024 Needs Assessment):
- 4. Estimates the potential five-year funding gap between estimated funding needs and state funding availability (last conducted in 2024 Needs Assessment); and
- 5. Identifies disadvantaged communities that may be facing affordability challenges, which may limit their ability to address existing and future drinking water challenges.

The results of the annual Needs Assessment are used by the State Water Board's SAFER program and the SAFER Advisory Group¹ to inform the prioritization of available state funding in the Safe and Affordable Drinking Water Fund (SADWF) Fund Expenditure Plan (FEP).2



The Needs Assessment serves to highlight and track progress in achieving safe drinking water in communities that have historically lacked access. It also serves to document the pace of implementing drinking water solutions, measure water system performance to encourage resiliency, explore sustainable long-term solutions like consolidation, and estimate the cost of implementing these solutions. By incorporating this Needs Assessment into the SAFER program and implementation of SADWF, the State Water Board will continue to lead long-term drinking water solutions. At the same time, the Needs Assessment brings clarity to the amount and type of work that must be done by state, federal, local and stakeholder partners collectively to realize the Human Right to Water for all Californians.

https://www.waterboards.ca.gov/safer/advisory_group.html

https://www.waterboards.ca.gov/water issues/programs/grants loans/sustainable water solutions/safer. html

¹ SAFER Advisory Group

² Safe and Affordable Drinking Water Fund

2025 NEEDS ASSESSMENT RESULTS



390 FAILING Public Water Systems

Population Served 811,964

62% Receiving \$443 M in State Funding & Technical Assistance



589 AT-RISK Public Water Systems

Population Served **1,490,776**

19% Receiving \$174 M in State Funding & Technical Assistance



205
HIGH-RISK
State Small Water
Systems



93,028 HIGH-RISK Domestic Wells

KEY FINDINGS:

- 98% of California's population receives water from systems that meet drinking water standards in 2024.
- 77% of community water systems and K-12 schools have continually been in compliance with drinking water standards since 2017
- Approximately 79% of Failing water systems serve disadvantaged communities and 52% serve the majority communities of color in 2024.
- The Risk Assessment was able to predict risk of failure for 92% of water systems on the Failing list in 2024.
- Small community water systems charge on average \$33 more a month for the same volume of water compared to large water systems in 2024.
- Approximately 90 (3%) community water systems face a high drinking water affordability burden and 375 (13%) are experiencing a medium affordability burden in 2024.