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Millions of Americans Can't Afford Water, as Bills Rise 80% in a Decade

Analysis of U.S. cities shows emergency on affordability of running water amid COVID-19 pandemic

By Nina Lakhani of the Guardian. Graphics by Juweek Adolphe.
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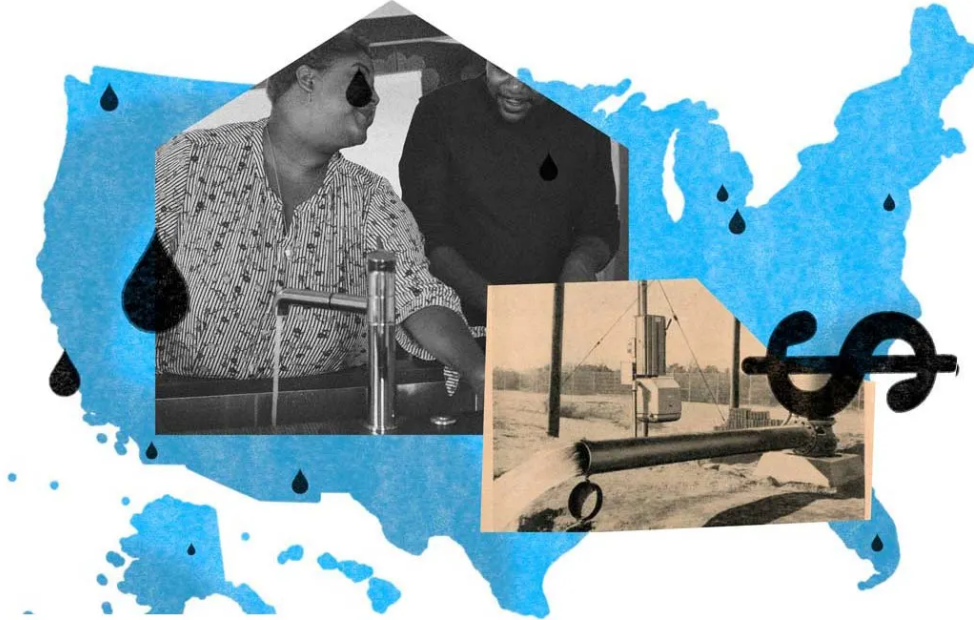


PHOTO-ILLUSTRATION: ERRE GALVEZ

This story was produced by the Guardian US and co-published by Consumer Reports as part of our collective ongoing investigation into America's Water Crisis.

Millions of ordinary Americans are facing rising and unaffordable bills for running water, and risk being disconnected or losing their homes if they cannot pay, a landmark Guardian investigation has found.

Exclusive analysis of 12 diverse cities shows the combined price of water and sewage increased by an average of 80 percent between 2010 and 2018, with more than two-fifths of residents in some cities living in neighborhoods with unaffordable bills.

In the first nationwide research of its kind, the Guardian's findings reveal the painful impact of America's expanding water poverty crisis as aging infrastructure, environmental cleanups, changing demographics and the climate emergency fuel exponential price hikes in almost every corner of the country.

How did the Guardian do its water poverty investigation? [SHOW](#)

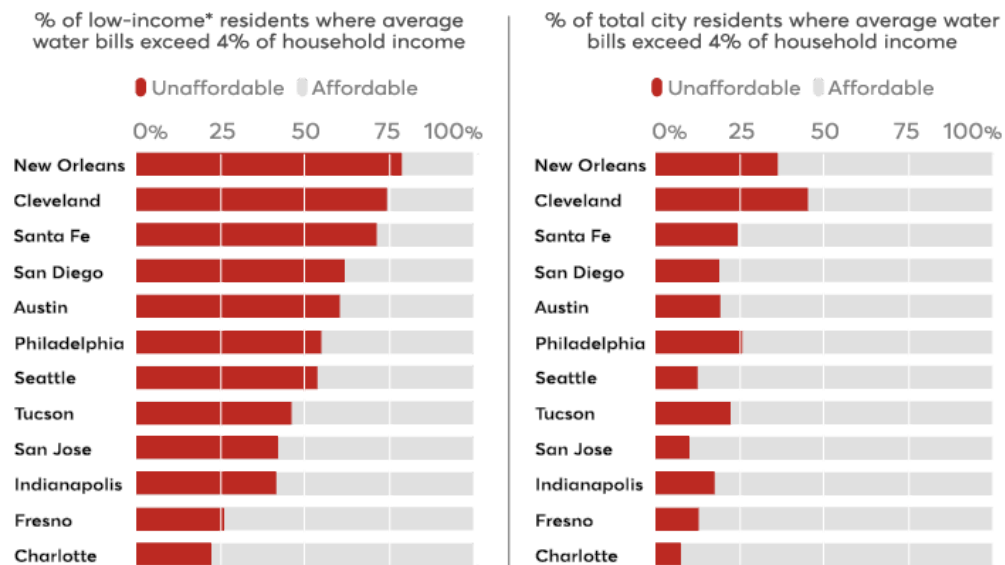
hurting the poorest but also, increasingly, working Americans.

“More people are in trouble, and the poorest of the poor are in big trouble,” said Roger Colton, a leading utilities analyst, who was commissioned by the Guardian to analyze water poverty. “The data shows that we’ve got an affordability problem in an overwhelming number of cities nationwide that didn’t exist a decade ago, or even two or three years ago in some cities.”

Water bills that exceed 4 percent of household income are considered unaffordable.

Colton’s 88-page report is published today as the Guardian and Consumer Reports [launch a major project on America’s water emergency.](#)

The Burden of Water and Sewer Bills in 12 Cities: 2018



Guardian graphic | Source: Guardian investigation, Roger Colton. *Low-income = living below 200% of federal Poverty line (FPL)

The Guardian's research found that between 2010 and 2018 water bills rose by at least 27 percent, while the highest increase was a staggering 154 percent in Austin, Texas, where the average annual bill rose from \$566 in 2010 to \$1,435 in 2018, despite drought mitigation efforts leading to reduced water usage.

Meanwhile, federal aid to public water utilities, which serve around 87 percent of people, has plummeted while maintenance, environmental and health threats, climate shocks, and other expenditures have skyrocketed.

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"A water emergency threatens every corner of our country. The scale of this crisis demands nothing short of a fundamental transformation of our water systems. Water should never be treated as a commodity or a luxury for the benefit of the wealthy," said water justice advocate Mary Grant from [Food and Water Watch](#), reacting to the Guardian's research.

In Washington, 90 lawmakers from across the country—all Democrats—are pushing for major reforms to the way water is funded in order to guarantee access to clean, affordable running water for every American.

The Guardian's investigation shows that the water poverty crisis is likely to get much worse, with bills in many cities becoming unaffordable for the majority of America's poor over the next decade.

In Austin, Texas, if prices in the city continue to go up at the current rate, more than four-fifths of low-income residents—defined as people living under 200 percent of the federal poverty line (FPL)—could face unaffordable bills by 2030.

Why is there a crisis with America's water? [SHOW](#)

In Tucson, Ariz., another drought-affected city, the number of low-income residents facing unaffordable bills doubled to 46 percent between 2010 and 2018—as the average bill increased by 119 percent to \$869.

Rising costs are disproportionately impacting poor Americans. In Cleveland, New Orleans, and Santa Fe, N.M., about three-quarters of low-income residents live in neighborhoods where average water and sewage bills are unaffordable.

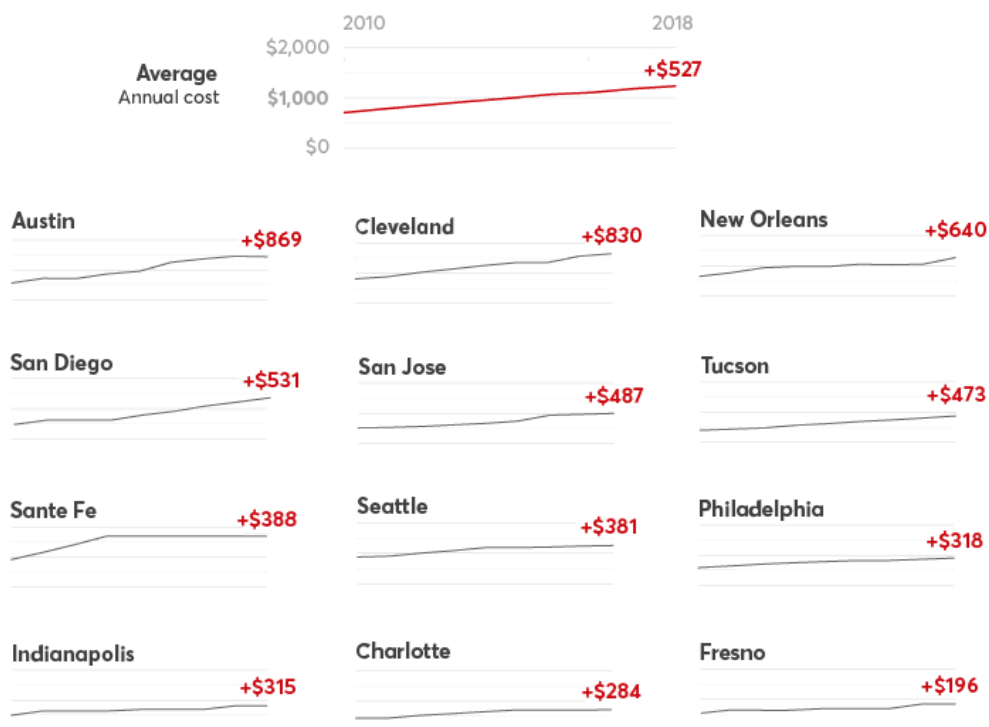
Amid rising costs and diminishing federal dollars, the use of punitive measures—shutoffs and liens (a legal claim on the house linked to a debt which can lead to foreclosure)—is widespread. Just like mortgage foreclosures, water shutoffs and liens can force affected households to abandon their homes.

Jarome Montgomery, 48, a truck driver from Warrensville Heights in Cleveland has borrowed from his partner, mother, grandmother, and sisters to repay more than \$30,000 to the water department since 2013, and avoid his home being auctioned off at a

“I’ve done two payment plans, but I’m still in foreclosure, it’s like they’re trying to make me homeless,” Montgomery said. “There is no way I’m using the amount of water they’re charging me for but I’m in a no-win situation, I don’t want to lose my home so I have to keep finding the money.”

In San Diego, the average bill was \$1,416 in 2018: 62 percent of low-income people live in neighborhoods where the average bill was unaffordable, representing almost one in five of the city’s total population. Among the poor, one in seven faced average water bills upward of 12 percent of the total household income in 2018.

Between 2010 and 2018 Water Bills in 12 Diverse U.S. Cities Rose by Between 27% (Santa Fe) and 154% (Austin)



Guardian graphic | Source: Roger Colton; Circle of Blue; Ohio Environmental Protection Agency; US Census data; American Water Works Association.

Currently, tech hub Seattle has the lowest poverty rate of the cities analyzed, and only 13 percent of Seattleites struggling to afford water—even as the bills rose to \$1,254 in 2018 to help fund earthquake and climate change resilience improvements. By 2030, three out of every four low-income residents could be living in neighborhoods with unaffordable bills.

of the FPL lived in neighborhoods with unaffordable water bills, with the twelfth city, Fresno, Calif., reaching 99.9 percent.

Federal Neglect

Federal funding for water systems has fallen by 77 percent in real terms since its peak in 1977—leaving local utilities to raise the money that is needed to upgrade infrastructure, comply with standards for toxic contaminants like PFAS, lead, and algae blooms, and to adapt to extreme weather conditions like drought and floods linked to global heating.

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For years, maintenance and cleanup projects were deferred by utilities, which has contributed to the current infrastructure and toxic water crisis. This helps explain why more than \$6 billion worth of water is lost annually to leaks, according to industry analysts Bluefield Research.

“High-cost low-quality water is a national issue . . . the federal government is clearly not playing the role it needs to play,” said Howard Neukrug, director of the water center at the University of Pennsylvania and former head of Philadelphia’s water department.

“The bottom line is that assuming there’s no federal helicopter with \$1 trillion, rates are going to go up dramatically to pay for infrastructure and quality issues,” he added.

At least \$35 billion every year for 20 years—that’s how much investment the Environmental Protection Agency (EPA) says is needed just to comply with federal safety regulations for water, sewage, and storm water.

Part of the problem is that maintenance and cleanup projects were deferred by utilities, without squirreling away money or planning for the climate crisis. It’s led to a massive backlog; for instance, more than \$6 billion worth of water is lost annually to leaks, according to industry analysts Bluefield Research.

Putting off improvements is no longer an option, so cities must now borrow the money to invest in infrastructure programs and/or hike prices in order to deliver safe, clean water.

Nationwide, the rising cost of water has significantly outstripped the consumer price index over the past decade.

The U.S. is the only country in the industrialized world without a regulatory system, responsible for monitoring rates and performance, according to Stephen Gasteyer, professor of sociology at Michigan State University.

and segregation problems we have in the US, where poor people are agglomerated in particular places and local governments are shouldered with the responsibility for raising revenue for services.”

There are federal programs to help low-income households afford energy and telecom bills, but nothing for water. There is however, legislation proposed to fund the infrastructure shortfall and create a water affordability fund.

The Water Act was first introduced in 2016, and has gained momentum since it was reintroduced last year in the House by Brenda Lawrence (D., Mich.) and cosponsored in the Senate by Bernie Sanders (I., Vt.).

“Access to water has never been a priority in the country, because it’s been a poor person’s issue. We need to transform that mindset and make sure every American has clean running water,” Lawrence said.

Punitive Measures

As many as one in 20 homes are disconnected for unpaid bills annually, according to the only national study, but no one knows how many eventually catch up on payments or have to learn to survive without water to flush the toilet, shower, and cook. There’s no regulator, and most census questions about water access and poverty have been eliminated since the 1980s.

The COVID-19 pandemic exposed the plight of people like Deborah O’Barr, 62, from Goodspring, Tenn., and husband Bobby, 63, who’ve lived without running water since 2016 as they don’t have the money or correct paperwork to get a new meter.

“It feels like nobody cares. We must be the lowest of the low as far as the water company is concerned. We just don’t matter, not even during a pandemic,” said O’Barr, who relies on a local spring, rainwater, and her son to fill containers.

As the virus spread, leaving tens of thousand dead and millions jobless, Detroit became the first city to suspend shutoffs and pledge to reconnect households disconnected in the previous year. In 2014, shortly after filing the largest municipal bankruptcy in U.S. history, the city launched a massive shutoff program and has since disconnected at least 141,000 households, according to records obtained by news website Bridge.

The U.N. said the debt collection scheme violated human rights and condemned the disproportionate impact on African Americans, who account for about 80 percent of the city’s population.

Eventually, hundreds of localities and 13 states issued moratoriums though only a fraction agreed to reconnect those without running water because of unpaid bills.

This included New Orleans, where the water department has one of the country’s harshest shutoff programs, disconnecting almost one in five households in 2016.

percent by 2030 if rates keep climbing. Bills have already doubled over the past decade to \$1,268 in 2018, in a city where many rely on bottled water due to concerns about toxins, which means the poorest simply cannot afford to pay.

In 2018, almost three out of every 10 poor residents lived in areas where the average bill cost more than 12 percent of household income.

In total, almost a third of all water customers in New Orleans are considered “delinquent” and together owe well over \$50 million.

“It is difficult to argue with a conclusion that New Orleans is in the worst shape of the twelve cities studied,” according to Colton, when considering the depth and breadth of the water affordability crisis residents face.

Close behind are Cleveland and Santa Fe, N.M.

Santa Fe saw the smallest increase but the highest bill in 2018 at \$1,845. By 2030, 99 percent of low-income residents will live in neighborhoods with unaffordable bills.

Nationwide, nobody knows how many Americans were without water at the start of the pandemic—nor how many were disconnected. What is known is that financial aid to help families and utilities keep taps running was excluded from federal rescue packages.

#waterin crisis

**AMERICA'S
WATER CRISIS**

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Is Affordable Water Possible?

In Philadelphia, advocates working in a predominantly low-income Black and brown neighborhood in 2014, came across people who'd been without running water for decades—forced to use plastic bags for the toilet and bottled water to wash their hands. “It was widespread, and clearly a human rights issue,” said Rachel Lopez, director of the West Philadelphia legal clinic. “A man-made drought disproportionately affecting low-income people of color.”

Others were shutoff after accumulating large debts, sometimes inherited, often exacerbated by fines, and some simply couldn't afford to pay for a replacement pipe or meter.

The Guardian's research shows that between 2010 and 2018, the number of poor Philadelphians living in neighborhoods where water is unaffordable doubled to 54 percent as bills topped \$900. During the first three months of the pandemic, the city reconnected almost 9,000 homes.

Colton worked with the city to create the tiered assistance program (TAP) after it emerged that in 2017 around 40 percent of water customers were behind on their bills—amounting to \$242 million in uncollected revenue.

The premise is pretty simple: The most effective way to improve compliance—and maximize revenue—is to make bills affordable, in other words based on a person's ability to pay, like the energy sector has been doing for years.

The program has made an impact: About 15,000 people are currently enrolled, though this is still far short of the 60,000 households estimated to be eligible even before the current economic disaster.

But, the city continued to convert water debt into tax liens, and once a month, properties are auctioned off at a sheriff's tax sale.

“Water debts are clustered in communities of color which disproportionately devalue their homes and neighborhoods,” said attorney Robert Ballenger from Community Legal Services.

In a move welcomed by advocates, city officials recently agreed to introduce debt forgiveness, which should mean that TAP enrollees will see their water debts wiped—no matter how big—after two years of compliance.

This could be a game changer as currently, water debt is a burden passed down through generations.

Earlier this year, Cheryl Gregg, 50, returned from the hospital after being admitted with high blood pressure and respiratory problems, to find that the water had been disconnected—this time because of a leaking pipe. “I had to take an Uber to my daughter's house to wash and buy bottled water, it's expensive. I have no income,” Gregg said from her hospital bed, after being readmitted a few days later.

This was not the first time, according to daughter Amber, 28, who recalls months camped out at relatives' houses because they couldn't afford the water bill. “My mom and grandma had a lot of health problems and couldn't work, we got cut off so many times. We never knew what we'd find after school every day, no lights or no water, it was so stressful,” she said.

Gregg is now on TAP and the family hopes the debt will be forgiven. Amber, who works two jobs at a parking company and burger joint, said: “I make sure my mom pays every month so we don’t lose the house.”

Water Industry Responses

Water providers are aware of the rising burden on people from bills due to the costs of aging infrastructure and “want to find ways to assist them while being responsible stewards of the water system,” according to spokesman Greg Kail, of the American Water Works Association, whose members include water utilities.

Responding to the Guardian’s research, Kail said there was no “silver bullet” to solve affordability but said “significant progress” had been made, citing the AWWA’s research last year that more than 80 percent of large water utilities have a capital assistance program, up from 60 percent a year earlier.

Cleveland Water did not comment on Jarome Montgomery’s case but said it was committed to building a “more equitable water future.”

Editor's Note: This article was supported by the 11th Hour Project.

AMERICA'S WATER CRISIS

Consumer Reports has a long history of investigating America’s water. In 1974, we published a landmark three-part series (PDF) revealing that water purification systems in many communities had not kept pace with increasing levels of pollution and that many community water supplies might be contaminated. Our work helped lead to Congress enacting the Safe Drinking Water Act in December 1974.

More than 45 years later, America is still struggling with a dangerous divide between those who have access to safe and affordable drinking water and those who don’t. Communities of color often are affected disproportionately by this inequity. Consumer Reports remains committed to exposing the weaknesses in our country’s water system, including raising questions about Americans’ reliance on bottled water as an alternative—and the safety and sustainability implications of this dependence.

In addition to our ongoing investigations into bottled water, we are proud to be partnering with our readers and those of the Guardian US, another institution dedicated to journalism in the public interest, to test for dangerous contaminants in tap water samples from more than 100 communities around the country.

America’s Water Crisis is the name we are jointly giving to this project and the series of articles we co-publish on the major challenges many in the U.S. face getting access to safe, clean, and affordable water. We will share the results of our upcoming test findings with you. In the meantime, you can join our social media conversation around water under the hashtag #waterincrisis.



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