



Proposing a Statewide Low-Income Water Service Program for California?

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On January 3, 2019, the California State Water Resources Control Board (State Water Board) released a draft version of its long-awaited report to the California State Legislature on the feasibility of a statewide program to help low-income Californians struggling to afford essential water service. As indicated by its title, Options for Implementation of a Statewide Low-Income Water Rate Assistance Program, the draft report lays out various alternatives for structuring a statewide low-income water service program.

The draft report includes a working proposal to establish three tiers of program eligibility (in consideration of household income and monthly water expenses), with corresponding benefit levels starting from a discount of 20% for more than 90% of eligible households and ranging up to 50% for the most costly water systems. The draft report notes the difficulty presented by the fact that most low-income households reside in master-metered multifamily housing, and so are not direct customers of the water utility. In this context, the draft report describes various scenarios for delivering the program benefits (e.g., by utility bill, tax credit, or CalFresh), program administrators (e.g., relevant state agencies, counties, or utilities), and funding sources (e.g., personal income tax and/or a bottled water sales tax).

While the options contained in the draft report are not radically different from the proposals and parameters examined during the 2017 and 2018 public workshops hosted by the State Water Board in numerous California communities, this is the first instance in which the State Water Board has begun – publicly – to crystallize its recommendations for a path forward. But that the draft report declines to provide definitive recommendations for key components of a statewide program, including its administration and funding, is, perhaps, the draft report's most illuminating aspect. The draft report's invitation for stakeholders to provide further input on how to implement a feasible and sustainable statewide program (including how to pay for the total annual cost of the proposed program, one version of which was estimated at more than \$600 million annually) strongly suggests that the path ahead toward implementing a statewide program will continue to be challenging.

The State Water Board is accepting public comments on the draft report until noon on Friday, February 1, 2019. We anticipate that a wide range of stakeholders will submit comments, including public water agencies, investor-owned water utilities, environmental justice organizations, and many others. The State Water Board plans to use the input gathered in comments to develop a final report to the Legislature later this year. More information is available [here](#).