

Op-Ed: Water Affordability Legislation

By Jim Nash, Oakland County Water Resources Commissioner

State Senator Stephanie Chang recently announced a package of bills to create the nation's first statewide affordability program for water and sewer utilities. The proposed legislation balances two distinct affordability needs—the need for a stable and reliable source of revenue for community infrastructure and the need to help lower-income households share the cost.

The legislation represents a significant moment for my office because it marks the culmination of almost three years of organizing, researching, and working toward the development of a comprehensive water affordability report. That report, entitled, *Water Affordability Solutions* developed the most sustainable statewide water affordability program to address the significant gap in water infrastructure funding, without financially burdening individual households or water service providers. We worked closely with the broad statewide stakeholder group Senator Chang organized to make this work sustainably for all Michiganders.

As Oakland County's Water Resources Commissioner, I recognize that these separate affordability needs are connected and must be addressed together. That's one reason I'm committed to doing my part to help make Oakland County and the region safe, successful, and prosperous. If it is to be a place where families want to live, students want to learn and stay to begin a career, where businesses can grow, and the economy can flourish, it needs strong, secure, and high-quality water infrastructure. It's the backbone to make that happen.

Unfortunately, underinvestment in our water infrastructure has been used as a short-term cost-saving method to keep water rates low. Over the years, rate increases were delayed when they should have been adopted to fund much-needed repairs and critical projects.

We are now grappling with the consequences of avoiding incremental rate increases that could have reduced the higher long-term costs we now face. All Michiganders will profit from timely investment in our water infrastructure. Water affordability legislation is needed to help communities afford the true cost of service without creating more problems.

The statewide water affordability plan is largely based on current programs used by electric and gas utilities passed in Lansing with overwhelming bipartisan support, more than a decade ago. By adding a \$2 per month charge for each water meter—roughly 7 cents per day—we can have a dedicated revenue source in a state account available for local water providers to bridge the gap between the amount low-income households can reasonably afford to pay and the true costs of services.

There is a desperate need for this type of program. There are close to 400,000 residents in Michigan currently behind on their water bills. Every community has seniors, young families or other residents struggling to pay their bills. Yet, many elected officials are in denial about the extent of need of their constituents. I wholeheartedly support this legislation. It's not about politics, it's about prosperity. We all prosper from proper investment in the water infrastructure that protects public health and keeps our environment clean, and our economy flowing.

To find out more about what my office is doing, please visit, oakgov.com/affordability.

