



WATER SERVICE AFFORDABILITY IN MICHIGAN: A STATEWIDE ASSESSMENT

2024 UPDATE

INTRODUCTION

The table below presents an update on Michigan water affordability statistics following the publication of *Water Service Affordability in Michigan: A Statewide Assessment in 2022*. The table includes affordability statistics by county and estimates regarding the proposed Low-Income Water Residential Affordability Plan (LIWRAP) outlined in Senate Bills 549 and 550 and House Bills 5088 and 5089.

METHODOLOGY

All calculations were completed using the Integrated Public Use Microdata Series (IPUMS) 2022 data¹. The chief variables used were “Cost of Water” and “Household Income,” from which we derived the percent of household income spent on water and sewer bills for households that report receiving a water or sewer bill. The table below shows the number and percent of households in Michigan whose water bills are more than 5% of the household income, a threshold set by the United Nations to represent an unaffordable bill. The table also shows the number of households eligible for the proposed LIWRAP program. This represents any household with a water/sewer bill above 2% of their household income if below 135% of the Federal Poverty Level (FPL), as well as all households whose bills are above 3% of their household income if between 135% FPL and 200% FPL. Lastly, the table shows the estimated payment amount needed to reduce bills to affordable levels under the legislation using an estimated 40% enrollment rate.²

County	Average Annual Water/ Sewer Costs	Percent of Households with Water/Sewer Bills over 5% of Household Income	Number of Households with Water/Sewer Bills over 5% of Household Income	Percent of Households Qualifying for Proposed LIWRAP	Number of Households Qualifying for Proposed LIWRAP	Annual LIWRAP Gap Payment (40 % Enrollment)
Allegan	\$553.64	1.43%	207	2.31%	336	\$67,046
Berrien	\$694.87	9.58%	3,695	15.43%	6,015	\$2,366,820
Ingham	\$579.86	4.67%	3,456	9.92%	7,445	\$1,841,807
Jackson	\$534.16	4.62%	1,403	10.84%	3,347	\$690,436
Kalamazoo	\$512.71	1.96%	1,226	4.87%	3,090	\$534,909
Kent	\$594.41	2.86%	4,060	6.66%	9,520	\$1,645,766
Livingston	\$733.98	3.29%	969	6.82%	2,005	\$361,518
Macomb	\$714.90	3.80%	10,297	9.18%	25,102	\$6,368,010
Monroe	\$659.57	3.80%	1,635	10.04%	4,394	\$726,042
Muskegon	\$491.00	7.55%	3,089	12.65%	5,197	\$911,605
Oakland	\$757.09	3.75%	13,545	7.99%	29,153	\$6,709,591
Ottawa	\$497.71	2.85%	1,960	4.97%	3,420	\$970,336
Saginaw	\$606.03	5.51%	3,039	14.92%	8,381	\$1,795,763
St. Clair	\$742.99	7.70%	3,057	18.64%	7,498	\$1,621,975
Washtenaw	\$697.99	3.76%	3,336	8.58%	7,690	\$1,321,844
Wayne	\$807.76	10.66%	55,631	18.64%	99,294	\$30,041,898
State of Michigan	\$697.31	6.07%	145,400	12.03%	291,380	\$74,762,456

1 IPUMS USA, University of Minnesota, www.ipums.org.

2 Colton, Roger, et al. “A water affordability program for the Detroit Water and Sewerage Department (DWSD).” Fisher, Sheehan & Colton Public Finance and General Economics: Belmont, MA, USA (2005).