



PRESIDENT

Diane S. Taniguchi-Dennis
Chief Executive Officer
Clean Water Services
Hillsboro, OR

VICE PRESIDENT

William J. "Mickey" Conway
Chief Executive Officer
Metro Water Recovery
Denver, CO

TREASURER

Kyle Dreyfuss-Wells
Chief Executive Officer
Northeast Ohio Regional
Sewer District
Cleveland, OH

SECRETARY

Laura Briefer
Director
Salt Lake City Department
of Public Utilities
Salt Lake City, UT

CHIEF EXECUTIVE OFFICER

Adam Krantz

1130 Connecticut Ave NW
Suite 1050
Washington DC 20036

T (202) 833-2672
F (888) 267-9505

www.nacwa.org

January 30, 2025

Dear Member of Congress:

On behalf of the National Association of Clean Water Agencies (NACWA), congratulations on your service in the 119th Congress. As the new term gets underway, we look forward to working collaboratively with you on critical issues affecting the provision of reliable and affordable clean water services across the country.

For over 50 years, NACWA has been the national policy and advocacy leader for the public clean water utility sector. Our growing organization represents over 350 public wastewater and stormwater utility members all across the nation that collectively provide essential clean water services to more than 150 million Americans daily. These utilities serve communities large and small, urban and rural in nearly every state and work around the clock to protect public health and water quality and support economic growth.

Our public clean water utility members strive to provide the highest level of service, working to balance federal and state regulations and local priorities while preserving water affordability and ensuring the sustainability and resiliency of these vital services. Clean water utilities navigate myriad complex challenges including upgrading aging infrastructure; managing escalating operating and maintenance costs and supply chain disruptions; attracting and retaining a skilled workforce; responding to new water quality impairments and regulations such as for PFAS, emerging contaminants, and nutrients; and investing in climate adaptation and system resiliency and security.

NACWA's legislative priorities are outlined below. We encourage you to reach out to NACWA's legislative team to discuss these or any other public clean water issues you and your constituents may be facing.

Tackling Water Affordability

The affordability of water services is a growing household concern. Across the country, rising water and wastewater rates, driven by the escalating costs required to operate utilities and modernize critical infrastructure, burden struggling households.

The average annual wastewater service charge for a single-family household grew at twice the rate of inflation between 2000 and 2021, reaching \$551 just for wastewater treatment services. With drinking water treatment added to this, total average water bills are over \$1,000 per

household. Clean water utility rates are projected to continue increasing by approximately 4% per year through 2026¹.

To help address the instability that rising water costs create, Congress established a temporary Low Income Household Drinking Water and Wastewater Assistance Program (LIHWAP) in 2021. Modeled after the highly successful, long-standing Low Income Home Energy Assistance Program (LIHEAP), LIHWAP served over 1.7 million American households through reconnection of water services, prevention of service shutoffs, and reduction of water rates.²

Unfortunately, funding for this critical lifeline expired in 2024. As water costs continue to grow and threaten access to clean water, NACWA urges Congress to support the creation of a permanent national low-income household water assistance program that builds on LIHWAP's positive impact.

Investing in America's Critical Water Infrastructure

NACWA strongly supports federal policies and programs that help local utilities maintain and upgrade vital water infrastructure. It is important to note that most of our country's investment in local water and wastewater systems, over 90%, is funded by water ratepayers and states. But federal water investment plays a key role, helping utilities make needed investments as affordable as possible.

In particular, the Clean Water State Revolving Fund (CWSRF) is a proven, highly efficient mechanism for financing local water projects, providing low-interest loans to communities for critical infrastructure investments. The Water Infrastructure Finance and Innovation Act (WIFIA) Program is another key federal mechanism accelerating investment in water through supplemental credit assistance for regionally and nationally significant projects.

As Congress looks at reauthorizing and funding the CWSRF this session, we strongly urge that the current fully authorized amount of \$3.25 billion be included in the Interior, Environment, and Related Agencies Appropriations Act. The CWSRF is a strong driver of the American economy, with every \$1 invested yielding a direct return of \$3.28 for communities³.

Further, we urge that the CWSRF continue to grow to meet future needs and demands. In recent years, clean water projects have proven popular with Congressionally Directed Spending (CDS), underscoring the importance of investing in water. NACWA supports continuation of CDS and Congress' ability to direct federal appropriations to worthy projects. However, we are concerned that these projects are currently being funded through annual CWSRF appropriations, which – absent a programmatic increase – significantly reduces the amount of funding sent to states for their SRF loan

¹EPA 2022 EPA Clean Watershed Needs Survey Report, released May 2024.
[<https://www.epa.gov/system/files/documents/2024-05/2022-cwns-report-to-congress.pdf>]

² The Value of Water Campaign. Bridging the Gap: The Power of Investment in Water
[<https://uswateralliance.org/wp-content/uploads/2024/05/Bridging-the-Gap%E2%80%94The-Economic-Benefits-of-Investing-in-Water.pdf>]

³ <https://www.epa.gov/cwsrf/clean-water-state-revolving-fund-infographic>

programs. NACWA requests that moving forward, funding for CDS projects be in addition to, not taken from, CWSRF's annual base funding.

Supporting Municipal Financing Tools

Public clean water agencies also heavily use the municipal bond market to finance critical infrastructure investments. Market data from 2023 shows tax-exempt municipal bonds reduced state and local borrowing costs by 210 basis points; e.g. from 6.1% to 4%⁴. Lower borrowing costs help clean water utilities keep their rates more affordable for households. As tax reform is considered, it is critical that Congress preserve the tax-exempt status of municipal bonds.

We also support the reinstatement of advance refunding for tax-exempt municipal bonds. Before 2017, municipal bonds could in effect be refinanced once during their lifespan, enabling municipalities to address unfavorable bond terms, restructure debt payments for greater budget flexibility, and free up funds for other critical capital projects, ultimately reducing taxpayer costs. Restoring this option would provide utilities and other borrowers with more flexibility and opportunities for cost savings.

PFAS: Ensuring Polluters, Not the Public, Pay

Per- and polyfluoroalkyl substances (PFAS) have emerged as one of the most pressing environmental and public health challenges of our time. These "forever chemicals" are widespread, persistent in the environment and could have serious health risks. Clean water utilities are on the frontlines of this crisis, acting as "passive receivers" of PFAS contamination. Clean water utilities do not produce or profit from PFAS but have the responsibility to manage the substances that enter wastewater and stormwater systems from households and businesses.

Despite passively receiving PFAS contamination, under current law, clean water utilities face the threat of significant legal and financial liability for PFAS remediation under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). As a result, third parties – the actual polluters – could seek to ensnare public water systems in CERCLA cleanups which could lead to staggering legal and financial burdens for water systems that would need to be paid for by the public through their water bills.

Critically, CERCLA obligations would come on top of other treatment costs that water systems will face in the coming years to comply with Safe Drinking Water Act and Clean Water Act PFAS requirements.

In the 118th Congress, the [Water Systems PFAS Liability Protection Act](#) (S. 1430/H.R. 7944) helped build awareness of this issue. The legislation sought to protect clean water utilities from PFAS-related CERCLA liability and shift the focus toward holding PFAS manufacturers – the true polluters – accountable for the contamination they have profited from producing. NACWA strongly urges your

⁴ Government Finance Officers Association. 2025. Understanding Financing Options Used for Public Infrastructure: A Primer. https://gfoaorg.cdn.prismic.io/gfoaorg/Z4gUeJbqstJ99qaS_PFNPrimer_119thCongress.pdf

office to support advancing similar legislation in the new Congress to support clean water utilities in their core mission: providing clean and safe water services to all communities.

Further, while there continues to be significant focus on PFAS treatment and remediation, NACWA believes a more holistic approach to controlling PFAS in the first place would better protect the public. We urge Congress to prioritize PFAS source control for non-essential uses and to advance research into safer PFAS alternatives and PFAS treatment and destruction technologies.

Supporting the Water Workforce

A reliable, skilled water workforce is essential to maintaining and upgrading America's water infrastructure. However, water sector utilities are facing challenges in recruiting, training and retaining employees. High retirement rates further strain the sector and make this an urgent issue.

NACWA urges Congress to prioritize advancing the water workforce through federal workforce development programs. Partnerships between community colleges, vocational schools, veteran services, and local water utilities can help train local talent for careers filling vital roles in the clean water sector – jobs which provide good salaries and benefits and cannot be outsourced. Strengthening these connections will not only support your community's workforce but also bolster the resiliency of water systems that serve your constituents.

Safeguarding Water Infrastructure in the Digital Age

As one of sixteen "critical infrastructure sectors," the water sector continues to face security challenges from foreign and domestic adversaries through cyber-attacks that threaten their safe operations, customer data, and finances. NACWA encourages Congress to support federal agencies in providing resources to better protect clean water utilities from cyberattacks. Tools such as free vulnerability scanning services for utilities by the Cybersecurity and Infrastructure Security Agency (CISA) and free technical assistance and cybersecurity assessment resources from EPA are helping water utilities become more secure.

NACWA supports reintroduction of the [Water System Threat Preparedness and Resilience Act](#) (S. 660/H.R. 1367 in the 118th Congress), which would offset the cost of The Water Information Sharing and Analysis Center (WaterISAC) membership for eligible utilities and help water systems be more aware and prepared for cyberattacks. WaterISAC provides up-to-date alerts, information, and analysis specifically for the water sector. The legislation would offset the costs for smaller and more rural utilities in becoming a WaterISAC member.

Improving Wipes Labeling and Standards

One of the preventable challenges facing our nation's clean water infrastructure is the issue of improperly labeled "flushable" wipes. These products often fail to disintegrate within wastewater systems, causing significant blockages and damage to critical infrastructure. The costs of addressing clogs and equipment damage are ultimately passed on to ratepayers, putting unnecessary financial strain on communities across the country. The improper disposal of wipe products contributes \$441

million annually in additional operating costs for clean water utilities, with the average utility incurring about \$30,467 per year in extra expenses⁵.

To address this growing problem, it is critical to establish national standards for clear "Do Not Flush" labeling on wipes that are not designed to be flushed. We urge Congress to pass legislation to mandate "Do Not Flush" labeling, such as the [WIPPES Act](#) (S. 1430/H.R. 2964 introduced in the 118th Congress), as well as robust flushability standards for products marketed as "flushable." Such measures will help protect wastewater systems, reduce unnecessary costs for utilities and ratepayers, and ensure manufacturers are held to consistent, science-based criteria for product performance.

Modernizing the Clean Water Act

NACWA strongly supports several regulatory reforms to the Clean Water Act (CWA) that would provide more regulatory certainty to municipal clean water utilities. The [Confidence in Clean Water Permits Act](#) (H.R. 7013 in the 118th Congress) would ensure that utilities and other National Pollutant Discharge Elimination System (NPDES) permit holders are afforded the full protections of CWA Section 402(k), the so-called "permit shield," by codifying EPA's [long-standing interpretation](#) of the scope of that provision. The bill would also require that NPDES permit writers only include effluent limits in permits that provide clear notice to permit holders of what is required of them to achieve compliance.

Second, the [Water Quality Criteria Development and Transparency Act](#) (H.R. 7021 in the 118th Congress) would subject EPA-developed CWA Sec. 304(a) recommended water quality criteria to the Administrative Procedure Act public notice-and-comment requirements and limited judicial review. Since EPA's recommended criteria ultimately drive clean water utility compliance obligations, they should be based on transparent, science-based processes. This is particularly true as EPA moves to develop criteria for emerging contaminants such as PFAS.

NACWA stands ready to serve as a resource and partner to you and your staff on these critical issues and other clean water priorities you may have. Please feel free to reach out to NACWA for further discussion. You can contact me or NACWA's legislative team of Danielle Cloutier, NACWA's Director of Legislative Affairs, at dcloutier@nacwa.org and Matt McKenna, NACWA's Director of Government Affairs, at mmckenna@nacwa.org. We look forward to working together for a stronger, healthier, and more sustainable future.

Sincerely,



Kristina Surfus
Managing Director, Government Affairs

⁵ NACWA. The Cost of Wipes On America's Clean Water Utilities - An Estimate of Increased Utility Operating Costs. [https://www.nacwa.org/docs/default-source/resources---public/govaff-3-cost_of_wipes-1.pdf]