



Invest in Water, Invest in America: Prioritize Water Infrastructure in 2026

Congress must empower local water systems to fulfill their mission of protecting public health and the environment while supporting economic growth.

Improve Public Health and Grow the Economy through Water Infrastructure

Water is essential for life and is critical to support public health. Investing in water systems that deliver these benefits also has cascading effects throughout the economy. Every million dollars invested in water infrastructure generates \$2.5 million in economic output, and \$1.4 million worth of GDP growth.¹

Robust federal investment in drinking water, wastewater, stormwater, and water recycling infrastructure should be an easy call, but Congress must act to prevent several core water infrastructure programs from expiring.

- The authorizations for key programs like the Drinking Water and Clean Water State Revolving Funds (SRFs), Title XVI-WIIN Water Reuse Grants Program, Pilot Program for Alternative Water Source Grants and other water infrastructure assistance programs will lapse in September if Congress fails to act.
- These targeted water infrastructure assistance programs help water, wastewater, stormwater, and water reuse systems respond to specific challenges like cyber threats, resiliency and adaptation, aging infrastructure, extreme weather impacts, and lead service line replacement.
- As the FY27 budget process gets underway, we urge leadership and appropriators to pursue full funding for these programs to advance investment in water across the country and ensure rural and urban communities alike have access to clean, safe water.

For too long, water, wastewater, and stormwater service has been taken for granted. Today, Congress must prioritize new investments in water infrastructure, while also pursuing policies that protect water sources against pollution and help communities comply with workable regulatory mandates. To ensure all communities—urban and rural—can affordably maintain and upgrade their critical water infrastructure, we call on Congress to commit to heightened and sustained federal support.

A bipartisan commitment is vital to support communities addressing pressing water challenges, including:

- Providing affordable water services in the face of aging infrastructure, rising operational costs, supply chain disruptions, and labor shortages;
- Navigating a rapidly evolving regulatory environment on issues ranging from emerging contaminants like per- and polyfluoroalkyl substances (PFAS) to nutrient management;
- Ensuring resilience to threats such as drought, flooding, and cyber attacks; and
- Advancing water research to develop innovative, cost-effective solutions to meet critical water challenges.

Address PFAS Responsibly

The water sector faces significant technical and financial challenges managing PFAS contamination. The looming costs under the Safe Drinking Water Act and Clean Water Act are enormous and will significantly impact ratepayers. Drinking water utilities face annual costs of as much as \$7.5 billion to comply with EPA's new drinking water standards for PFAS. Clean water utilities likewise anticipate enormous costs once Clean Water Act PFAS standards are set by EPA.

- Congress must prioritize source control measures that will help reduce the amount of PFAS entering water systems and the environment.
- Federal PFAS policies must be grounded in accurate cost estimates and informed by water sector expertise to ensure effective, implementable solutions.
- Regulations must hold polluters—not local water systems—financially responsible for cleanup costs. In particular, without explicit protection under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), water systems and their ratepayers will unfairly bear the costs of cleaning up environmental PFAS pollution. Congress must enact liability protections for drinking water, wastewater, stormwater utilities, and technology providers while holding polluters accountable.

¹ The Value of Water Campaign, <https://thevalueofwater.org/econ-research-resources#topical-fact-sheets>



Ensure Affordable Water Services for All

In most communities, drinking water, wastewater, and stormwater infrastructure investment needs outpace inflation and income growth, putting disproportionate pressure on low-income households.

- Congress should establish a permanent low-income water assistance program to help water systems modernize aging infrastructure while keeping rates affordable for vulnerable families.
- Congress must also provide oversight of EPA actions to ensure they address affordability concerns and do not impose unsustainable financial burdens.

Advance Regulatory Flexibility and Reform

Communities across the country face rising regulatory compliance costs while grappling with increasingly complex water quality challenges. A transparent, science-based regulatory framework which considers costs and benefits is essential to enable water systems to meet their obligations effectively while ensuring affordability for ratepayers.

Invest in Water Research for Innovative Solutions

Federal investment in water research is critical to addressing new threats to water quality, scarcity, and affordability. Water research offers a proactive approach to tackling future challenges, fostering long-term sustainability, and promoting the global competitiveness of U.S. water systems.

- Congress should maintain robust funding for water research programs to develop innovative, cost-effective solutions that enhance public health, safety, and water system resilience.
- Investing in water research will create new jobs and ensure equitable access to modern water systems nationwide.

Protect Sewer Systems from Improper Wipes Disposal

The mismanagement of disposable wipes, including falsely labeled “flushable” products, imposes significant burdens on wastewater systems. Improperly flushed wipes cause clogs that pollute the environment, damage expensive equipment, and create health and safety hazards for water utility workers. This issue costs utilities millions of dollars annually in repairs and operational disruptions.

- Congress should require clear, standardized “Do Not Flush” labeling on all non-flushable wipes to reduce consumer confusion and improper disposal.
- Federal agencies must be empowered to establish and enforce rigorous, science-based flushability standards for products marketed as “flushable”.

² The Value of Water Campaign, https://static1.squarespace.com/static/67dd711d117219a03e4f7a/t/6909675b50ac577ef692ac20/1762223963849/2--+Econ_Exec+Summary+2025.pdf

Support Tax Incentives to Ensure Long-Term Water Supplies and Economic Development

Industrial and agricultural operations account for most water consumption in the United States, yet few incentives exist to encourage sustainable water use in the private sector.

- Congress should establish tax credits to support water recycling, reuse technologies, and conservation practices in industry and agriculture, ensuring long-term, reliable water supplies while supporting economic growth.
- Congress should eliminate tax burdens on water conservation rebates offered by local utilities, thereby incentivizing more consumers to preserve critical water resources.
- Congress must preserve the tax exemption for municipal bonds, which are a critical tool for financing municipal water infrastructure.

2026 Water Week Partners



The Time for Action is Now

In 2025, nationwide investments in water infrastructure supported 2.2 million jobs, \$307.9 billion in GDP, and \$588.4 billion in economic output.² This year, Congress has an opportunity to build on past bipartisan achievements, spur further economic growth, and protect public health by doubling down on policies to promote safe and clean water across the country. By addressing the issues outlined here, Congress can ensure that our nation’s water systems remain resilient, affordable, and effective for generations to come.