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March 23, 2021

The Honorable Thomas R. Carper
Chairman
Senate Environment and Public Works
Committee
Washington, D.C.

The Honorable Shelley Moore Capito
Ranking Member
Senate Environment and Public Works
Committee
Washington, D.C.

The Honorable Tammy Duckworth
Chairman
Fisheries, Water, and Wildlife Subcommittee
Washington, D.C.

The Honorable Cynthia Lummis
Ranking Member
Fisheries, Water, and Wildlife Subcommittee
Washington, D.C.

Dear Chairs Carper and Duckworth and Ranking Members Capito and Lummis:

On behalf of the National Association of Clean Water Agencies (NACWA), I am writing to express strong support for the *Drinking Water and Wastewater Infrastructure Act (DWWIA) of 2021*.

As the leading Association advocating on behalf of the nation's public clean water utility sector, NACWA and our over 330 public utility members nationwide – both large and small – greatly appreciate your bipartisan efforts to increase authorized federal clean water funding to help address the nation's growing clean water infrastructure needs and challenges. NACWA appreciates your collaboration with the clean water sector on this important legislation and looks forward to further engagement as it moves through the Congressional process.

We firmly believe it is past time for the federal government to re-engage as a strong funding partner in water infrastructure investment. Our nation's water infrastructure is at a key juncture, with costs rising both for traditional investment needs like maintaining aging infrastructure and meeting compliance obligations, and newer challenges such as addressing emerging contaminants and ensuring system resilience in the face of climate and cyber risks. As federal attention turns to infrastructure, water must be a critical focus and investment priority of a federal infrastructure package and we applaud the Committee's work as a key next step in the process.

Paying for water infrastructure investment must be shared effort between local governments and the federal government. Local governments are doing more than their fair share. Now is the time to take steps to strengthen the federal funding commitment and help communities innovate and adapt to meet their local challenges and help ensure water is affordable and accessible for all. The ongoing COVID-19 pandemic has only heightened the importance of safe and reliable clean water for all Americans, while also underscoring the growing divide between federal and local investment in water systems and the critical need for more robust federal funding.

DWWIA begins to bridge the growing gap in federal cost-share of water infrastructure, which according to the Congressional Budget Office (CBO) is currently less than 5 percent of total drinking water and wastewater infrastructure investment. Overwhelmingly, the increasing costs of these essential public services are borne by local ratepayers – with no reliable safety net for households when costs are unaffordable.

DWWIA would help strengthen the federal funding partnership and further ensure that families, hospitals, schools, and businesses in communities across the country have the uninterrupted, safe, reliable, and affordable access to the clean water services they need and deserve.

Specifically, NACWA strongly supports the following provisions in the legislation:

- Reauthorization of the Clean Water State Revolving Fund (CWSRF) at \$14.5 billion over five years. The CWSRF is the primary federal clean water financing tool that communities utilize to help meet their Clean Water Act (CWA) obligations and infrastructure needs, and it will be more crucial than ever in the coming years as the nation recovers from the pandemic. NACWA appreciates the \$14.5 billion included in the bill and seeks even higher CWSRF funding levels as congressional infrastructure discussions advance. NACWA also strongly requests that as Congress moves forward on any comprehensive infrastructure legislation, as much CWSRF funding as possible be provided to communities through additional subsidization provisions and direct grants, to put water more on par in terms of federal cost-share and grant opportunities with other key infrastructure sectors.
- Reauthorization of Sewer Overflow and Stormwater Reuse Municipal Grants at \$1.4 billion over five years. Controlling sewer overflows and ensuring proper management of stormwater are essential to protecting public health and the environment; however, the compliance costs associated with these are very costly and place financial strain on many communities and their ratepayers, especially in older communities dealing with aging infrastructure and population and economic shifts as well as significant low-income populations.
- Directing U.S. EPA to assess low-income water needs around the country and authorization of a pilot program to develop and implement programs to assist low-income households in maintaining access to affordable and reliable clean and drinking water services. NACWA has strongly supported the creation of a federal low-income water assistance program at U.S. EPA to complement the agency's existing water financing programs. A robust, permanent, and reliable federal water assistance program would help communities and utilities provide service to all customers while continuing to invest and maintain safe, reliable water and wastewater systems. NACWA looks forward to continuing to work with Congress to support this provision as the package advances.

- Reauthorization of WIFIA at \$250 million over five years. The WIFIA program is an important complement to the SRFs, providing an additional financing tool to address water infrastructure investment by leveraging limited federal resources. It has provided valuable financing for a growing number of large clean water investment projects around the country. NACWA also supports the proposed reauthorization of *SWIFIA* (or *SRF WIN*), which allows smaller water infrastructure projects to bundle their projects into one WIFIA application, as well as reforms which would reduce the number of final rating opinion letters required for each WIFIA applicant from two to one. This reform will ease the administrative burdens on clean water agencies pursuing WIFIA assistance.
- Reauthorization of the Water Workforce Infrastructure grants program at \$25 million over five years. Over the next decade, the water utility workforce is expected to incur a retirement rate of over one-third. This number is not only alarming given the important daily work of these professionals but is also problematic given the extensive education and training these jobs require. Jobs in the water sector provide a good career with competitive wages that tend to pay more on average compared to all occupations nationally. NACWA appreciates the increased funding for this program that is currently overprescribed due to increasing need. This program will help to ensure the stability of the nation's water workforce while also helping it become more diverse and reflective of the communities served. We also appreciate the bill's clarification that public works departments or agencies are directly eligible for these grants but ask that given the unique structure of how public clean utilities are often structured, they are also given a specific mention as a direct eligible entity.
- Establishment of a new Clean Water Infrastructure Resiliency and Sustainability Program authorized at \$225 million over five years. These grants are essential as utilities are on the front lines in mitigating the impacts of climate change through building resilient infrastructure, managing wet weather, and piloting integrated and adaptive approaches to watershed management, and addressing cybersecurity.
- Authorization of a U.S. EPA study that examines the state of existing and potential future technology, including technology that could address cybersecurity vulnerabilities, or enhance the treatment, monitoring, affordability, efficiency, and safety of wastewater services provided by a clean water utility. This provision, which incorporates key components of the bipartisan Advanced Research Projects Agency – Water (ARPA-H2O) concept and legislation, can help public clean water utilities more cost-effectively have the innovative tools needed to better address their aging infrastructure, increasingly complex water quality challenges, and growing threats to cybersecurity.
- Authorization of \$5 million for U.S. EPA to complete an updated Clean Water Infrastructure Needs Survey. At a time when clean water utilities are being asked to do more with less – to address aging infrastructure, manage increasingly complex water quality challenges and

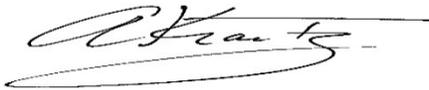
regulatory requirements, all while maintaining rates that are affordable for all customers, especially low-income households – it is imperative to have an accurate, updated, and complete understanding of clean water needs across the country.

- Authorization of a U.S. EPA pilot program to assist with fifteen public clean water utility projects to create or improve waste-to-energy systems. These grants can help advance innovative energy and resource management to improve efficiency and sustainability across the clean water sector.
- Reauthorization of the Alternative Water Source Projects Program at \$225 million over five years. This funding helps support innovative ways to address unique local challenges in water supply and water quality, such as the use of recycled wastewater effluent and capturing stormwater.

NACWA also supports the provisions under the bill that authorize a circuit rider program that awards grants to provide on-site technical assistance to owners and operators of small and medium public clean water utilities; a program to provide grants to communities or nonprofit organizations to cover the costs incurred from connecting a household to a municipal or private wastewater system; a grant program to assist research institutions, nonprofits, and institutions of higher education with research on new and emerging stormwater control technology; and establishment of up to five Centers of Excellence for stormwater control research.

NACWA looks forward to working further with the Committee and Congress on advancing this bill in a bipartisan and bicameral manner. Thank you for your leadership and work on behalf of public clean water utilities throughout the country.

Sincerely,

A handwritten signature in black ink, appearing to read 'A. Krantz', with a horizontal line extending to the right and a large, sweeping underline below the name.

Adam Krantz