



1130 Connecticut Ave. NW, Suite 1050
Washington, DC 20036

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

July 8, 2021

The Honorable Chuck Schumer
Majority Leader
U.S. Senate
Washington, D.C.

The Honorable Mitch McConnell
Minority Leader
U.S. Senate
Washington, D.C.

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, D.C.

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, D.C.

Dear Leader Schumer, Leader McConnell, Speaker Pelosi, and Leader McCarthy:

The National Association of Clean Water Agencies (NACWA) represents over 330 public wastewater and stormwater agencies across the country. On behalf of these members, we thank you for your leadership and strongly urge that, as Congress moves forward with comprehensive infrastructure legislation, a significant increase in real dollar investment for clean water infrastructure is included in this package. NACWA also wants to ensure that this funding must be additive in the form of grants for key clean water construction and capital programs and through additional subsidization provisions for Clean Water State Revolving Fund (CWSRF) investment.

While we are encouraged by the bipartisan prospects for a package, we are concerned that the proposed framework, outlining \$55 billion in water infrastructure, could perpetuate a dynamic of continued underinvestment in public water and sewer systems relative to other key infrastructure sectors such as transportation.

Over the past several decades, the federal cost-share of water utility infrastructure has fallen to below 5 percent of total investment in drinking water and wastewater infrastructure. In other words, local ratepayer dollars and states cover over 95 percent of the costs of clean water compliance and safe drinking water supply around the country. As the costs of maintaining and upgrading this critical infrastructure grows, and compliance with the *Clean Water Act* (CWA) becomes more expensive, the cost burden has overwhelmingly been shouldered by local ratepayers. Yet, in comparison to every other infrastructure sector, the federal cost-share for water is comparatively non-existent. In the public clean water sector, unlike other sectors, the majority of federal funds are made available as loans to local public utilities through the CWSRF, meaning they support loan financing that must be repaid by local communities and utilities over time. This is not sufficient in the context of a major infrastructure stimulus bill.

We applaud the House and Senate's work on the *Water Quality Protection and Job Creation Act of 2021*, H.R. 1915, and the *Drinking Water and Wastewater Infrastructure Act of 2021*, S.914, that would authorize and reauthorize critical and expired clean water programs for investment in the

7/8/21

Page 2 of 2

fiscal years ahead. However, to make a meaningful impact in clean water above annual spending we strongly urge direct investment, not simply increased authorizations at levels which may or may not be secured in the coming fiscal years.

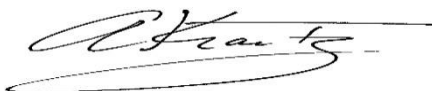
The nation's clean water agencies urge that as Congress crafts a once-in-a-generation infrastructure investment and jobs bill, investment in water infrastructure must be provided at a level that is on par with other key sectors. It is equally important that it is provided as real dollars that inject much-needed direct investment in clean water – particularly grants. Such grants are also imperative to advance critical projects in low-income communities and to ensure resilient systems in these communities.

Water infrastructure not only protects public health and the environment but also provides essential public services that households, hospitals, schools, and businesses in communities across the country depend upon daily - the nature of this essential service was underscored during the pandemic. The average American uses 176 gallons of water per day to ensure cleanliness and health and 46% of water consumed in America is used to manufacture the products we buy. Strong and direct federal investment in clean water infrastructure is key to ensuring communities can continue providing these critical and essential services in an affordable manner.

The U.S. EPA estimates that nearly \$750 billion is required over the next 20 years just to maintain our current levels of drinking water and wastewater services. This estimate does not include the growing costs of addressing resilience in critical water systems.

Through an infrastructure deal, Congress has a unique opportunity to fundamentally strengthen U.S. water infrastructure and position communities to meet the challenges that lie ahead. We look forward to working with you further on this critical issue.

Sincerely,



Adam Krantz

Cc:

Senate Environment and Public Works Committee
House Transportation and Infrastructure Committee
Senate Committee on Appropriations
House Committee on Appropriations