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Dear Members of the House of Representatives,

As the national voice for the clean water sector and on behalf of our 350 public wastewater and stormwater utility members, the National Association of Clean Water Agencies (NACWA) urges you to provide critical levels of federal funding to support the public clean water sector in your consideration of H.R. 4821, the Fiscal Year (FY) 2024 Department of the Interior, Environment, and Related Agencies Appropriations Act. NACWA has previously provided these requests to Congress as this bill was considered in committee, and we reiterate our ask as you now consider the legislation on the House floor.

NACWA's members collectively provide essential clean water services to more than 150 million Americans every day, serving a wide range of communities, both large and small, urban and rural, and spanning nearly every state. They work tirelessly to protect public health, the environment, and support economic growth.

The provision of these critical clean water services is accompanied by a multitude of complex challenges. These challenges include reinvesting in aging infrastructure, managing escalating operation and maintenance costs, addressing supply chain disruptions, attracting and retaining a skilled workforce, dealing with water quality impairments, and adhering to regulations related to substances like per- and polyfluoroalkyl substances (PFAS), emerging contaminants, and nutrients. Our public clean water utilities are steadfast in their commitment to surmounting these challenges, striving to deliver the highest level of service to the communities they serve while maintaining affordable rates for families and local businesses.

We wish to express our deep appreciation for the direct appropriations provided by Congress under the Infrastructure Investment and Jobs Act (IIJA) for clean water. While the IIJA authorized other important programs, they were not directly or fully funded through the Act itself. It is imperative that Congress fully appropriates the clean water programs authorized and reauthorized under the IIJA to ensure that local communities have the comprehensive resources required to provide essential public wastewater and stormwater services.

We are grateful for your consideration of these clean water priorities as H.R. 4821 moves to the House floor.

Clean Water State Revolving Fund (CWSRF):

The Clean Water State Revolving Fund (CWSRF) serves as the primary federal clean water financing tool for communities and public clean water utilities, assisting them in fulfilling their Clean Water Act (CWA) obligations and infrastructure needs. The CWSRF has played a pivotal role in advancing water quality and public health protection. While the IIJA provided an infusion of additional funds into the CWSRF, it was clear that Congress intended for these funds to supplement, not replace, robust annual CWSRF appropriations. NACWA supports annual CWSRF funding at the full IIJA-authorized level of \$3 billion for FY24.

Moreover, NACWA members who have benefited from Congressionally Directed Spending are grateful for the direct funding provided through the FY23 Omnibus Appropriations. As the Committee considers Congressionally Directed Spending going forward, we respectfully request that funding for these projects not be deducted from the CWSRF's annual appropriation. This will ensure that communities who have secured Congressionally Directed Spending for their projects receive the necessary funding without limiting access to the CWSRF for all eligible communities in a state, safeguarding the revolving fund's long-term viability.

We also request that the Committee incorporate language prioritizing eligibility for technological innovation through the CWSRF, allowing states the flexibility to allocate up to five percent of the funds for projects that utilize proven or emerging clean water technology to optimize publicly-owned treatment works and enhance local public health and environmental objectives.

Sewer Overflow and Stormwater Reuse Municipal Grants:

The financial strain caused by sewer overflows affects many communities and their ratepayers. This is particularly evident in communities under federal consent decrees, grappling with aging infrastructure, and adapting to population and economic changes, all while contending with the impacts of climate change and extreme weather events.

The Sewer Overflow and Stormwater Reuse Municipal Grants program offers grant funding to assist municipal clean water utilities and communities in more affordably managing combined sewer overflows, sanitary sewer overflows, and capturing stormwater flows for water reuse. NACWA wholeheartedly supports this crucial program, which provides communities with direct grant funding (as opposed to loans) to make these essential investments. We request full funding for the reauthorized level of \$280 million in FY24.

Low-Income Water Assistance:

NACWA has long advocated for the establishment of a federal low-income water assistance program to aid households in maintaining access to affordable and reliable public clean and drinking water services. Similar federal programs exist to assist low-income households with food and energy costs, and the time has come for water to be equally recognized as a costly but vital public health need.

We are grateful for the steps Congress has taken to advance this important need by providing funding for a temporary emergency Low-Income Household Water Assistance Program (LIHWAP) administered by the U.S. Department of Health and Human Services (HHS), as well as authorizing the establishment of an EPA low-income water customer assistance pilot program in the IIJA. We also appreciate the funding Congress has provided to EPA to complete a low-income water assistance program needs assessment as called for in the IIJA. However, EPA requires additional funding to complete this needs assessment, which will play a critical role in a permanent LIHWAP is to be established. We request EPA receive at least \$2 million in FY24 appropriations to help complete the needs assessment process.

Integrated Planning:

Integrated Planning (IP), codified into the CWA by Congress in 2018, can assist both large and small communities in managing costs and sequencing and prioritizing their clean water investments. This approach empowers communities to maximize environmental benefits and prioritize their most critical environmental outcomes. Implementing IP necessitates a departure from business as usual and significant upfront work by communities, states, and EPA to achieve improved outcomes.

NACWA greatly appreciates the \$2 million provided by the Committee in the FY23 Omnibus Appropriations package to provide EPA with dedicated resources to help communities develop IP frameworks. The Agency is collaborating with state regulators to incorporate IP approaches into permitting and enforcement, a critical step. NACWA requests an additional \$2 million in FY24 appropriations to sustain these efforts.

Water Workforce Infrastructure Grants Program:

The public clean water sector offers stable career paths across skill levels, where workers can take pride in serving their community. However, the water utility workforce is retiring at an accelerating rate, and public utilities are facing greater challenges in competing with other sectors for workers.

NACWA strongly supports EPA's Water Workforce Infrastructure Development Grant Program and requests that FY24 funding is provided at, or higher than, the FY23 level of \$6 million. This funding will support innovative efforts to develop the utility workforce of the future and ensure long-term stability in the sector.

Water Infrastructure Finance and Innovation Act (WIFIA) Program:

The WIFIA program complements the State Revolving Funds, facilitating significant water infrastructure investments and leveraging limited federal resources. NACWA supports funding equal to the FY23 appropriated amount of \$75.6 million in FY24. We also support an additional \$5 million for the SWIFIA program, which enables state financing authorities that administer the SRFs to apply for WIFIA loans directly through EPA. This flexibility for states to bundle multiple projects on their approved intended use plan can increase participation in smaller, rural, and lesser-resourced communities.

Clean Water Infrastructure Resilience and Sustainability Program:

NACWA strongly endorses the Clean Water Infrastructure Resilience and Sustainability Program, established under the IIJA to support clean water utilities on the front lines of mitigating the impacts of climate change and wet weather events. Communities are grappling with varying impacts of climate change on their utility systems and are striving to implement locally-appropriate solutions to ensure resilience for critical water services. We request the fully authorized amount of \$25 million in FY24 to kickstart this program.

PFAS:

Clean water utilities are deeply concerned about the presence of emerging contaminants in their influent, their impact on treated effluent and biosolids, and the potential costs that may accrue to public ratepayers. NACWA urges funding for EPA to advance its work to better understand PFAS in the environment, especially exposure pathways, toxicity levels, and treatment technologies. This understanding is crucial for developing appropriate, science-based standards that protect public health and the environment. It is essential that EPA gets the science right and determines actual risk levels from PFAS to human health before moving too quickly on regulatory requirements that could impose significant costs on public clean water utilities and the communities they serve.

In this context, NACWA urges Congress to provide dedicated funding to strengthen EPA's Biosolids Program, which regulates the beneficial reuse of wastewater treatment residuals. EPA's ongoing work on the problem formulation for biosolids is critical to providing certainty regarding safe residuals management.

NACWA greatly supported the \$1 billion in appropriations under the IIJA for clean water utilities to address emerging contaminants such as PFAS. However, since these funds are flowing through the CWSRF, there have been challenges in getting these funding plans approved and disbursing funds promptly. Some of the most immediate costs that clean water utilities are facing involve proactively understanding and limiting PFAS in their systems through monitoring, analysis, and implementing pretreatment programs in conjunction with industries to reduce concentrated PFAS discharges into public sewer systems. However,

these important steps may not necessarily be eligible uses for IIJA funds, as those dollars are coming through the CWSRF, which primarily focuses on capital investments.

NACWA has been collaborating to identify potential near-term uses of the IIJA PFAS funds that align with the CWSRF eligibilities, providing EPA and our members with recommendations. However, clear guidance from Congress that these IIJA CWSRF emerging contaminant funds can be used for PFAS monitoring and assessment work would be a significant step toward ensuring that the funds are put to their best possible use, addressing timely clean water PFAS needs.

Additional Key Programs:

NACWA also supports increased funding for EPA's Geographic Programs, which support critical watershed-based investments, Section 319 Nonpoint Source grants that support watershed solutions to pollution driven by nonpoint sources, which remain the largest outstanding driver of water quality impairments, and EPA's National Priorities Water Research grant program, which supports work on timely national water research priorities.

In conclusion, we appreciate your time and consideration of these requests to further advance clean water and wastewater infrastructure and services across the United States. Your support is crucial in ensuring the health, safety, and well-being of millions of Americans who rely on clean water services every day.

Thank you for your dedication to these important issues and for your service to our nation. We look forward to working collaboratively with you to address these critical clean water priorities.

Sincerely,

A handwritten signature in black ink that reads "Adam Krantz". The signature is fluid and cursive, with a stylized flourish at the end of the name.

Adam Krantz
CEO, National Association of Clean Water Agencies