



October 29, 2018

Senator Ben Cardin  
509 Hart Senate Office Building  
Washington, DC 20510

Senator Roger Wicker  
555 Dirksen Senate Office Building  
Washington, DC 20510

Dear Senator Cardin and Senator Wicker:

The undersigned organizations are pleased to write in support of S. 3564, the *Low-Income Water Customer Assistance Programs Act of 2018*. This legislation will help address the water affordability challenges that are becoming acute in many communities across the United States. We strongly believe that innovative federal efforts such as this bill will help citizens and utilities address water ratepayer affordability challenges and put water infrastructure on a more sustainable path.

Clean and safe water are essential to public health. Local clean water and drinking water agencies are required under the Clean Water Act and Safe Drinking Water Act to meet significant environmental and public health obligations. Yet federal investment has not kept pace with water infrastructure investment needs, and in fact has significantly declined. Today, federal dollars comprise just four percent of the annual investment made in water supply and wastewater treatment in the U.S.<sup>1</sup>

Nationally, clean water rates have grown faster than the rate of inflation for each of the last 15 years. Projections are that this trend will continue as communities address aging infrastructure, resiliency challenges, and face increasing costs of compliance and expanding debt service obligations. In many areas, these issues are exacerbated by declining service area populations, loss of industry, and other economic and demographic shifts that challenge a community's ability to maintain their fixed assets.

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<sup>1</sup> [Congressional Budget Office \(CBO\): Public Spending on Transportation and Water Infrastructure, 1956 to 2017. Published October 2018.https://www.cbo.gov/publication/54539](https://www.cbo.gov/publication/54539)

As local communities increase water and sewer rates, the cost of water services pushes or exceeds affordability for many households and affordability concerns can impede infrastructure investment. To accommodate low-income customers, utilities may set rates that do not reflect the true cost of providing water services. Even then, low-income customers may become delinquent on their bills or live in fear of loss of service.

Your legislation would help provide security to vulnerable households in their access to water services and help ensure utilities can set appropriate rates to maintain infrastructure and meet federal health and environmental obligations. By creating a pilot program and requiring a report to Congress, the *Low-Income Water Customer Assistance Programs Act* would start addressing this challenge right away in a mix of rural, urban, small and large pilot communities and generate data and best practices that could inform ongoing discussion of a broader program. This Act would facilitate sustainable infrastructure investment at the local level and target federal dollars to places with the greatest need.

Our organizations applaud you for advancing the discussion of the federal role in addressing water affordability, and we look forward to working with you on this legislation moving forward.

Sincerely,

Adam Krantz, CEO, National Association of Clean Water Agencies (NACWA)

Eileen O'Neill, Executive Director, Water Environment Federation (WEF)

Diane VanDe Hei, CEO, Association of Metropolitan Water Agencies (AMWA)

Scott Grayson, Executive Director/CEO, American Public Works Association (APWA)

Tom Smith, Executive Director, American Society of Civil Engineers (ASCE)

Radhika Fox, CEO, U.S. Water Alliance (USWA)

Bill Hillman, CEO, National Utility Contractors Association (NUCA)

Bobbi Larson, Executive Director, California Association of Sanitation Agencies (CASA)