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Majority Leader Mitch McConnell  
United States Senate  
Washington, D.C. 20510

Minority Leader Chuck Schumer  
United States Senate  
Washington, D.C. 20510

Chairman John Barrasso  
Senate Environment & Public Works Committee  
Washington, D.C. 20510

Ranking Member Tom Carper  
Senate Environment & Public Works Committee  
Washington, D.C. 20510

Chairman Lamar Alexander  
Senate Health, Education, Labor & Pensions  
Committee  
Washington, D.C. 20510

Ranking Member Patty Murray  
Senate Health, Education, Labor & Pensions  
Committee  
Washington, D.C. 20510

Dear Majority Leader McConnell, Minority Leader Schumer, Chairman Barrasso, Chairman Alexander, Ranking Member Carper and Ranking Member Murray,

On behalf of the National Association of Clean Water Agencies (NACWA), I write today to applaud the Senate's growing focus on water affordability and water access concerns during the COVID-19 pandemic and to share perspectives from the public clean water sector on how to best advance these goals for all Americans. Our most critical recommendation is for the provision of at least \$4 billion in emergency federal assistance to help address low-income ratepayer needs. There are similar programs for energy and food — it is time for clean and safe water to have equivalent federal support.

NACWA represents nearly 330 public clean water utilities across the United States. They provide vital wastewater and stormwater services to their communities every day. These utilities and their essential public service workers ensure that the water keeps flowing to protect public health and they have been on the front line of the pandemic response since day one.

The COVID-19 pandemic has reinforced for all Americans the critical role water and sanitation — often taken for granted until emergencies occur — play in protecting public health and the environment, as well as fostering strong economies.

NACWA and its member agencies have long been concerned about the growing cost of providing clean water services and the widening infrastructure funding gap. These concerns have become even more heightened because of the pandemic. Unfortunately, this public health crisis has hit at a time when federal investment in our public clean water infrastructure is at its lowest level in 50 years.

The federal-state-local partnership around clean water in the United States as envisioned under the Clean Water Act has increasingly fallen on the shoulders of local ratepayers. In fact, the federal cost-share of investment in water and wastewater in the U.S. has fallen to less than 5 percent.

Local utilities are constantly working to balance the cost of federal compliance and local clean water priorities with their communities' ability to pay. Unfortunately, low-income households in both urban and rural areas — often households of color — have borne the financial brunt of the lack of federal investment in water. To the extent they are legally and financially able, many utilities have started customer assistance programs to help bridge the gap for local households unable to pay. But these programs are nowhere near sufficient to address the underlying need, which is growing alongside the financial impacts and growing unemployment linked to the pandemic.

NACWA has long urged the creation of a federal low-income water ratepayer assistance program to help close this funding gap, modeled on other successful assistance programs for life-critical services such as food and energy. This concept has secured bipartisan support in recent Congresses, including S. 2687/H.R. 4832, the *Low-Income Water Customer Assistance Programs Act of 2019*. These proposals would establish a pilot program for providing federal water ratepayer assistance in normal times. During the pandemic, we urge that this type of assistance be jump-started to quickly provide essential support to water ratepayers.

We applaud the provision of \$1.5 billion in the Houses' HEROES Act to help cover the costs of water services for low-income households. While this is a strong start, this amount will not address the [full financial impacts](#) to the public water sector. This is especially true given the estimated \$8 billion in revenue loss to utilities due to an increase in unpaid water bills because of the pandemic's financial impacts on increasing numbers of households. This comes on top of over \$20 billion in estimated revenue losses from declining commercial and industrial use.

We strongly urge the provision of at least \$4 billion in emergency assistance to help address low-income ratepayer needs alone, a number which has the strong backing of numerous water and environmental advocacy groups. We hope to continue working with Congress to ensure that this program be readily implementable and provide meaningful relief for water costs without additional burdens to public utilities.

The critical nature of water and sanitation during the pandemic has also appropriately increased interest in water shutoff moratoriums. Maintaining access to water services is literally the heart of what public clean water agencies do every day, and the vast majority of water and wastewater utilities across the nation have already voluntarily ceased water shutoffs for delinquent accounts, reinstated service for suspended accounts, and are working hard to minimize shutoffs until the current public health crisis has passed. A recent report from the Senate Environment & Public Works (EPW) minority outlined the status of state actions on shutoffs but we must underscore that, at the local level, utilities are working on their own accord to prevent shutoffs without state or national directives.

Any moratorium on water shutoffs cannot be successful without a mechanism for making up the lost revenues. We encourage incentives to prevent shutoffs but cannot support any national moratorium

that is not directly tied to the local receipt of federal funding to cover the losses and directly linked to the duration of the COVID-19 pandemic.

As you know, the services the public water sector provides are costly. Treating raw water to the very high standards required for safe human consumption, distributing that water through a vast network of underground pipes to homes, taking used water and sewage away from those homes through an entirely separate network of underground pipes, and treating that wastewater to very high standards to protect public health and the environment is an extremely expensive endeavor.

While clean water utilities want to provide service to all households during the pandemic regardless of ability to pay, they rely on ratepayer dollars to operate and maintain their systems. Providing services without payment to many households, on top of the other revenue losses being experienced from commercial and industrial closures, are severely impacting water utility budgets.

These revenues have to be made up one way or another, and absent federal support, local communities will be forced to raise rates for all at a time many Americans can least afford it, only worsening the water affordability crisis. The rate increases that will be needed without federal assistance will ultimately most directly, and disproportionately, impact those same low-income households that we are trying to help right now by suspending water shutoffs.

And as the pandemic continues to surge on for an indefinite duration, utilities are grappling with how best to get ratepayers who have halted payments back on track with payment plans and other mechanisms and to avoid scenarios where struggling ratepayers face unmanageable past-due bills down the line, or utilities face massive increases in arrears. These are critical concerns, as a public utility's balance of arrears, rates of non-payment, and lost revenues all ultimately impact its ability to maintain strong bond ratings and secure affordable financing for infrastructure investments, which in turn create jobs and spur economic growth.

Just as the federal government does not expect farmers or stores to provide food to low-income households without compensation (as provided by the SNAP program), and helps energy providers support low-income households with heating and cooling (through the LIHEAP program) it is equally inappropriate for the federal government to expect local, public clean water utilities to provide free water treatment service to low-income households without commensurate federal financial support.

In closing, we greatly appreciate Congresses' support to date for providing water assistance and encourage its inclusion in the next COVID-19 relief package. Access to safe, reliable, and affordable water is undeniably a serious national problem deserving of Congressional focus and warranting thoughtful, strategic solutions. We look forward to continuing to work with you toward these goals as the nation continues to respond to, and ultimately recover from, the COVID-19 pandemic.

Sincerely,

**Adam Krantz, Chief Executive Officer**  
**National Association of Clean Water Agencies**

cc: Senate Appropriations Committee