

May 14, 2020

The Honorable Mitch McConnell
Majority Leader, U.S. Senate
Washington, D.C. 20510

The Honorable Nancy Pelosi
Speaker, U.S. House of Representatives
Washington, D.C. 20515

The Honorable Chuck Schumer
Minority Leader, U.S. Senate
Washington, D.C. 20510

The Honorable Kevin McCarthy
Minority Leader, U.S. House of Representatives
Washington, D.C. 20515

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

The nation's water sector jointly requests that the next COVID-19 relief bill address the impacts of the coronavirus pandemic on drinking water systems, clean water systems, and water recycling systems.

As the nation continues to grapple with the increasingly devastating effects of the coronavirus, water utilities continue working tirelessly to ensure their customers have safe and reliable water services and protect the health and safety of their workforce. The drinking water and wastewater sector's workers have been designated as [essential](#) by the Department of Homeland Security and Environmental Protection Agency. Many water workers are unable to telecommute and have continued working in the treatment plant, field, or laboratory. The role of handwashing and sanitation to control the coronavirus underscores the essential nature of drinking water and wastewater service.

The [economic impacts](#) of the coronavirus on water and wastewater system budgets are becoming increasingly clear. The clean water sector estimates a \$16.8 billion impact to clean water utilities, which includes \$12.5 billion in lost revenue from decreased non-residential demand as industries and institutions shuttered and over \$4 billion in costs to maintain residential wastewater service to households unable to pay. Similarly, the drinking water sector estimates \$13.9 billion in annualized revenue losses to the drinking water utilities as a result of the coronavirus pandemic, including more than \$5 billion in losses related to suspending water service disconnections and increased customer delinquencies.

Drinking water, wastewater, and water recycling investments are overwhelmingly funded by local ratepayers and states, and these rates and revenues have clearly declined. These financial impacts, coupled with additional costs systems are incurring from sustaining emergency operations, will ultimately be passed on to local ratepayers through higher water rates and threaten planned investments in capital and maintenance.

In recognition of this unprecedented situation we urge you to include the following in the next COVID-19 relief bill:

- Federal assistance to cover costs associated with maintaining drinking water/wastewater services to households that are unable to pay. Inability to pay escalated sharply during the pandemic, yet water utilities around the country suspended water service shut-offs and worked to safely restore connections for households with delinquent accounts. **We strongly support inclusion of language authorizing drinking water/wastewater ratepayer assistance in the next COVID-19 package with as strong funding as possible.**

- Federal assistance to help mitigate lost revenues to drinking water and wastewater systems. Assistance could be provided through an expanded Relief Fund or another mechanism that ensures that all drinking water and wastewater utilities are eligible for assistance. **We urge that funds to address revenue losses attributable to the pandemic’s economic downturn shall be made available to water utilities, regardless of ownership, that provide public services including drinking water, wastewater and stormwater.** This assistance should be provided directly to drinking water and wastewater utilities, similar to assistance already provided to airports, public transit, and other local public service entities. Some utilities that are units of local government may benefit from assistance being provided to local and county governments—but in light of the scale of financial impacts facing communities and that not all drinking water and wastewater utilities are direct units of local government, we urge that direct assistance for water utility lost revenue be expressly provide in the next COVID-19 package.

In addition to these policies to protect the financial and operational standing of drinking water and wastewater utilities, we send our strong support for continued efforts by Congress to ensure a stable municipal bond market and urge the restoration of advance refunding to enable municipal borrowers to take advantage of market opportunities. We also urge provisions to allow public sector employers, like private employers, to benefit from payroll tax credits to pay for enhanced employee leave benefits, and to support the provision of hazard pay for essential water sector workers.

As the nation also grapples with longer-term economic recovery from the pandemic, we also emphasize that water infrastructure is a vital economic force. The sector stands ready to help create jobs and get our economy running again through any future jobs or infrastructure bill. But first Congress must address the negative impacts of the pandemic on our sector, providing federal assistance to address ratepayer burdens and make water and wastewater utilities whole for doing their part to respond to the coronavirus pandemic.

We thank you for your consideration as negotiations on the next phase of COVID-19 relief advance. We appreciate all you are doing to help Americans during these challenging times.

Sincerely,

National Association of Clean Water Agencies (NACWA)
Water Environment Federation (WEF)
Association of Metropolitan Water Agencies (AMWA)
American Water Works Association (AWWA)
US Water Alliance
National Rural Water Association (NRWA)
The Rural Community Assistance Partnership (RCAP)
American Society of Civil Engineers (ASCE)
American Public Works Association (APWA)
WaterReuse Association
Water & Wastewater Equipment Manufacturers Association Inc. (WWEMA)
The Water Research Foundation
Council of Infrastructure Financing Authorities (CIFA)
National Association of Water Companies (NAWC)