

FACT SHEET ON
H.R. 1497, THE WATER QUALITY PROTECTION AND JOB CREATION ACT OF 2019
October 2019

EXECUTIVE SUMMARY

H.R. 1497, the “Water Quality Protection and Job Creation Act of 2019,” as amended, authorizes approximately \$16.68 billion in infrastructure investment over the next five years to address America’s crumbling wastewater infrastructure and water quality challenges.

This **bipartisan bill** renews the Federal commitment to addressing local water quality challenges by providing an infusion of Federal assistance for the construction, repair, and replacement of the Nation’s network of wastewater and stormwater conveyance and treatment facilities. The legislation significantly increases the amount of Federal assistance made available to States and communities through the successful Clean Water State Revolving Fund program—the primary source of Federal assistance for wastewater infrastructure construction.

BACKGROUND: THE CLEAN WATER STATE REVOLVING FUND

Before adoption of the Clean Water Act, many rivers were little more than open sewers, with some so polluted that they literally caught fire. Also, because rivers and pollution do not respect local or state boundaries, Congress realized that a comprehensive national program was necessary to protect water quality.

In 1972, Congress enacted the landmark Clean Water Act which fundamentally changed the way we address water pollution in this country, set strong standards, and provided substantial financial assistance to local communities to meet water quality challenges. Yet, America’s water infrastructure is in dire need of renewed Federal investment. According to the American Society of Civil Engineers (ASCE) 2017 Infrastructure Report Card, America’s wastewater treatment infrastructure receives a grade of D+, which is only the slightest improvement from its previous grade of D in the 2013 ASCE Report Card.

Currently, municipalities face a backlog of more than \$40 billion in clean water infrastructure projects and, according to the Environmental Protection Agency, these communities need close to \$300 billion of investment over the next 20 years to bring their systems to a state of good repair. Given the current lack of Federal investment to address these needs, communities are forced to cover more than 95 percent of the cost of clean water projects.

THE WATER QUALITY PROTECTION AND JOB CREATION ACT OF 2019, AS AMENDED

H.R. 1497, as amended, renews the Federal commitment to addressing our Nation’s substantial needs for wastewater infrastructure by authorizing **a total \$16.68 billion over five years** in wastewater infrastructure through the Clean Water State Revolving Fund and other efforts to improve water quality. The legislation will **create thousands of new, domestic jobs** in the construction and wastewater sectors through increased investment in wastewater infrastructure. It will reduce the cost of constructing and maintaining that infrastructure, promote **energy efficiency and water efficiency**, and reduce the potential long-term operation and maintenance costs of publicly owned treatment works.

HIGHLIGHTED PROVISIONS OF AMENDMENT IN THE NATURE OF A SUBSTITUTE:

- Authorizes **\$14 billion in Federal grants over five years** to capitalize Clean Water SRFs. These funds provide low-interest loans and additional loan subsidizations (e.g., principal forgiveness and negative interest loans) to communities for wastewater infrastructure.
- Authorizes **\$1.125 billion for grants to municipalities** to capture, treat, or reuse combined and sanitary sewer overflows or stormwater.
- Authorizes **\$1.295 billion over five years** for grants for State water pollution control agencies to implement State water pollution control programs.
- Provides **\$110 million over five years** in grants for innovative ways to address wet weather discharges, to promote stormwater best management practices, to undertake integrated water resource management, and to increase the resiliency of utilities to natural or man-made disasters.
- Authorizes **\$150 million in grants over five years** for alternative water source projects under section 220 of the Clean Water Act, including projects that reuse wastewater or stormwater to augment the existing sources of water.
- Codifies the **Clean Water SRF “green-reserve” – a 15 percent set-aside** for green infrastructure projects and projects that provide energy or water efficiency improvements or other environmentally innovative activities.
- Requires utilities to evaluate, and where feasible, implement efforts to **increase the efficiency of energy use for wastewater utilities**, including efforts to capture and reuse energy produced in the wastewater treatment process (such as methane recapture).
- Requires States to set-aside a **minimum of 10 percent** of annual Clean Water SRF funds to provide **grants to communities with affordability concerns**.
- Establishes minimum funding set-asides to address the water infrastructure needs of **small and rural communities**.
- Requires States to pay a **greater Federal share of construction costs to disadvantaged communities** participating in EPA’s sewer overflow and stormwater grant program.
- Permanently codifies set-aside of Clean Water SRF funds for tribal communities and the U.S. territories.
- Authorizes States to use a portion of their Clean Water SRF funds to **promote workforce development and utility worker training and education programs**.
- Requires States, as part of their biennial assessment of Clean Water infrastructure needs, to include estimates to **address resiliency and climate change**.