

April 13, 2021

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
Washington, DC

The Honorable Charles E. Schumer
Senate Majority Leader
U.S. Senate
Washington, DC

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, DC

The Honorable Mitch McConnell
Minority Leader
U.S. Senate
Washington, DC

RE: America's Investment in Water Infrastructure

Dear Congressional Leaders,

The Association of State Drinking Water Administrators (ASDWA), the Association of Clean Water Administrators (ACWA), the Environmental Council of the States (ECOS), the Council of Infrastructure Financing Authorities (CIFA), Western States Water Council (WSWC), which represent State agencies and programs, strongly support increased funding for drinking water, wastewater and stormwater infrastructure that protects public health and the environment. To strengthen the state-federal partnership that is the hallmark of national investment in water infrastructure, our organizations offer the following recommendations:

Increase funding for existing, proven programs, rather than create new programs. Even in the best circumstances, establishing a new funding program can take years. Instead, reauthorizing and increasing funding for proven water infrastructure programs will ensure States can manage an increase in water infrastructure projects efficiently and effectively. Programs include the Clean Water and Drinking Water State Revolving

Funds (SRFs), the Water Infrastructure Finance and Innovation Act (WIFIA), WIFIA for state financing authorities (SWIFIA) and many water grant and loan programs across multiple federal agencies.

Provide flexibility within existing programs to maximize federal investment in water infrastructure.

A proliferation of grant programs in recent years has created the unintended consequence of complicating funding and financing for water infrastructure. Because each program has a different set of criteria, cost-share requirements and federal mandates, many States have had to develop a complex system of matchmaking to find communities, including Native American communities, that have the greatest need for specific grant funding, meet specific criteria and cost-share requirements, and fulfill specific federal mandates. Maintaining separate funding for specific goals but providing federal agencies and states with greater flexibility to implement these programs will ensure federal money flows faster to those communities that need it most.

Provide additional federal funding to ensure state agencies have the resources to move more water infrastructure projects through the project pipeline.

State agencies, such as departments of public health and environmental protection or natural resources, play an integral role in building water infrastructure, from planning to design permitting to construction to compliance. These agencies can be responsible for a myriad of infrastructure-related tasks, including providing technical assistance to small, rural, disadvantaged and underserved communities, marketing investments in green infrastructure, processing loan and grant applications, prioritizing projects to meet the greatest need, conducting environmental reviews, performing cost-and-effective engineering analyses, permitting projects, monitoring compliance, and preventing fraud and waste.

Robust funding for Public Water System Supervision (PWSS) Grant Program and Sec.106 State and Tribal Assistance Grants (STAG) is necessary to ensure states have the capacity to handle an increase in funding for water infrastructure, especially to the Clean Water and Drinking Water SRFs. Fully funding these and similar programs will ensure water infrastructure projects can move to construction with the appropriate public health safeguards and environmental permits, and without delays or bottlenecks.

Ensure States can prioritize federal funding for water infrastructure projects to meet the unique needs of their communities, especially small, rural, disadvantaged and underserved communities.

Restricting the use of federal funds to certain projects, such as shovel-ready and green infrastructure projects, can often displace priority projects in the current project pipeline and allow some projects to “jump the line” for funding. For example, the priority for many small, rural, disadvantaged and underserved communities isn’t green infrastructure; the

priority is ensuring reliable sources of water, replacement and rehabilitation of brick-and-mortar water infrastructure to ensure low-income households have affordable access to safe drinking water and wastewater services, and basic stormwater infrastructure which may not qualify as green infrastructure. Allowing States to determine priorities for funding will ensure the highest priority projects are funded, which provides benefits to the nation.

Provide adequate time to spend federal funding, ensuring both the smallest and largest projects can be eligible for funding and are built within federal time limits.

Increased funding for water infrastructure can strain necessary expertise and skilled workers in the engineering and construction sectors. As a result, it may take longer for smaller projects – which must compete with larger, more profitable projects – to procure the necessary services to plan, design and build their projects. Additionally, short timelines for spending can disqualify large projects, especially complex, transformational green infrastructure projects that often require more time to complete than traditional grey infrastructure. Providing adequate time to spend federal funding will allow the marketplace to adapt to increased demand and ensure priority projects, both large and small, are funded.

Reduce the cost of building water infrastructure, which will allow federal funding to build more water infrastructure projects.

Reducing duplicative paperwork, reviews and processes at all levels for loans and grants to build water infrastructure, especially for small communities with declining populations, will reduce the cost of water infrastructure that is needed to protect public health and the environment.

Allow the Clean Water State Revolving Funds (SRFs) to fund and provide technical assistance for small and rural communities.

Allowing the Clean Water SRFs to use up 2% of the annual capitalization grant for technical assistance to small and rural communities, just like the Drinking Water SRF, will provide much-needed support to communities that lack the professional expertise to build water infrastructure. Moreover, it is critical that States be allowed to determine the best providers of technical assistance, including the option of providing these services in-house with state employees.

Provide relief and greater flexibility for states and communities to meet match and cost-share requirements of loan and grant programs.

Significant increases in appropriations may impact the States' ability to meet the 20% match requirement of the SRFs. Additionally, restrictions on using the SRFs to meet cost-share requirements, such as with the Assistance for Small and Disadvantaged Communities Grant Program, can impede the States' ability to help communities most in

need. Providing relief and flexibility for match and cost-share will allow States to deliver federal funds, efficiently and effectively, to thousands of communities across the nation.

Increased federal funding and flexibility for water infrastructure will create jobs, spur investments in the economy, and provide a strong, sustainable foundation for future economic growth.

Providing robust federal funding for proven programs, combined with flexibility for state implementation and management, will incentivize investment by local communities in building water infrastructure that protects public health and the environment. Healthy environments and a safe, reliable supply of drinking water are the foundation of vibrant communities and growing economies.

Sincerely,



Kim Colson, President
[Council of Infrastructure Financing Authorities \(CIFA\)](#)
Director, Division of Water Infrastructure
North Carolina Department of Environmental Quality



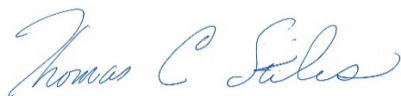
Cathy Tucker-Vogel, President
[Association of State Drinking Water Administrators \(ASDWA\)](#)
Public Water Supply Section Chief
Kansas Department of Health and the Environment



Patrick McDonnell, President
[Environmental Council of the States \(ECOS\)](#)
Secretary
Pennsylvania Department of Environmental Protection



Jennifer Verleger, Chair
[Western States Water Council \(WSWC\)](#)
Assistant Attorney General
State of North Dakota



Thomas C. Stiles, President
[Association of Clean Water Administrators \(ACWA\)](#)
Director, Bureau of Water
Kansas Department of Health and the Environment

Organization Contacts:

- ACWA: Julia Anastasio, janastasio@acwa-us.org
- ASDWA: Alan Roberson, aroberson@asdwa.org
- CIFA: Deirdre Finn, dfinn@cifanet.org
- ECOS: Don Welsh, dwelsh@ecos.org
- WSWC: Tony Willardson, twillardson@swc.utah.gov