# A drinking water agenda for the 117<sup>th</sup> Congress



The Association of Metropolitan Water Agencies welcomes all lawmakers to Washington for the 117<sup>th</sup> Congress! AMWA is an association of the nation's largest publicly owned drinking water systems, and each day our members provide clean and safe water from the tap to customers from coast to coast.

Drinking water utilities serving more than 100,000 people only make up about 400 of the nation's approximately 50,000 community water systems. But these large utilities provide drinking water to nearly half of the nation's population and represent about \$175 billion of the nation's drinking water infrastructure investment need over the next 20 years as estimated by EPA. AMWA members themselves serve roughly 156 million Americans from Alaska to Puerto Rico.

As Congress convenes this year, representatives and senators on both sides of the aisle have a real opportunity to come together behind policies that protect public health, increase social equity, facilitate economic growth, and help communities become more resilient to the myriad of challenges they face. AMWA believes that each of these priorities can be achieved by focusing on the nation's drinking water systems.

# AMWA's drinking water policy priorities:

- Invest in drinking water infrastructure
- Address PFAS and other emerging contaminants through transparent and science-based regulations
- Build resilience to climate change and extreme weather
- Pursue social equity through drinking water affordability



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# Invest in drinking water infrastructure



The Drinking Water State Revolving Fund (DWSRF), the Clean Water State Revolving Fund (CWSRF), and the Water Infrastructure Finance and Innovation Act (WIFIA) are the major federal programs designed to help communities rebuild and improve our nation's water infrastructure. In addition, in recent years Congress has authorized several new, targeted water infrastructure programs to help communities meet specific needs – such as helping low-income homeowners replace outdated lead service lines.

As lawmakers begin the process of developing spending bills for FY22, AMWA urges Congress to provide at least \$1.95 billion for the DWSRF and \$60 million for WIFIA.

### America's water infrastructure needs are well-documented

Communities across the U.S. face staggering costs to upgrade aging water infrastructure. EPA's most recent estimates found that the nation's drinking water and wastewater systems need nearly \$750 billion over the next 20 years just to maintain current levels of service. Nearly a quarter of this sum – about \$175 billion – is attributed to metropolitan drinking water systems that serve more than 100,000 people.

# The DWSRF is essential to the delivery of safe drinking water

The DWSRF helps states leverage federal assistance to issue loans for water projects that address serious public health risks by improving drinking water quality. Through mid-2019, the DWSRF had provided more than \$41.1 billion to help cities and towns nationwide carry out more than 15,000 projects to upgrade drinking water infrastructure, improve water supply sources, and modernize drinking water treatment.

# WIFIA is an innovative program targeting large-scale projects

WIFIA offers competitive low-cost financing for large water projects – generally those expected to cost in excess of \$20 million. Every dollar appropriated to the WIFIA program can support roughly \$100 worth of loans – an excellent return on the federal investment. To date EPA has closed several dozen WIFIA loans delivering more than \$6 billion to communities across the country.

## Funding will help homeowners replace lead service lines

The 2016 WIIN Act authorized \$300 million over five years for a new EPA program to deliver funding assistance to help communities and low-income homeowners replace lead service lines. The program gives preference to communities with the greatest needs and bars the use of funds on partial lead service line replacements. Congress has appropriated nearly \$45 million for the program through FY20, but EPA has only begun the work of funding projects. Now is the time for Congress to reauthorize the program and ensure that funds are distributed where they are needed most.



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# Address PFAS and other emerging contaminants through transparent and science-based regulations



Improved detection technologies are telling us more than ever before about trace levels of contaminants that may be present in some drinking water supplies. One notable example is Per- and Polyfluoroalkyl Substances, or PFAS, a class of thousands of man-made compounds that were originally used in non-stick products and firefighting foams, and which have been found in some drinking water sources. EPA is currently developing drinking water standards for two of the most prevalent PFAS, PFOA and PFOS.

AMWA supports EPA's effort to regulate PFOA and PFOS pursuant to the Safe Drinking Water Act Amendments of 1996. The transparent and science-based regulatory process of the 1996 Amendments is the most appropriate way to protect public health while also considering the ability of local water system ratepayers to finance costs associated with new contaminant regulations.

### EPA needs funding to consider new drinking water standards

To date EPA has set federal standards for more than 90 different drinking water contaminants, and the agency is required to periodically evaluate whether to regulate more. In 2020 EPA announced plans to develop regulations for PFOA and PFOS, but the agency requires resources to appropriately consider where a federal standard for the contaminants should be set. EPA's budget has not kept pace with the needs in recent years, so Congress must provide the agency with adequate funding to carry out its regulatory responsibilities.

# Regulations must be based on science, not artificial targets

The 1996 SDWA Amendments established a deliberative, transparent, and science-based process through which EPA develops national primary drinking water regulations. There are no quotas calling for certain numbers of new regulations each year; instead when making a regulatory determination EPA is directed to consider factors including a contaminant's known human health impacts, its frequency of occurrence in water supplies, and effective treatment technologies available and accessible to water systems. Efforts to expedite this process could result in substandard regulations that are not sufficiently protective of public health, or which represent costly mandates that local water ratepayers cannot afford.

## Drinking water regulations must consider public input

The 1996 SDWA Amendments allow for opportunities for public comment throughout the regulatory process. This allows stakeholders, advocates, and everyday Americans to have their say about the strength and practicality of potential regulations before they are finalized. Without this input, EPA would develop new drinking water standards in the dark, without a chance to consider whether a particular proposal might actually achieve its stated intent.

## Polluters should pay for PFAS cleanup and remediation

Parties responsible for introducing contaminants into drinking water sources should be responsible for their cleanup. Designating PFAS as hazardous substances under the Superfund statute could help achieve this objective, but only if water systems are exempt from liability when they legally dispose of water treatment byproducts containing traces of PFAS. Otherwise polluters will be able to transfer environmental cleanup costs to water systems and ratepayers whose only action was to remove PFAS from their source waters.



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# **Build resilience to** climate change and extreme weather



Recent years have brought the effects of climate change and extreme weather to communities across the country. These have come in the form of intensifying droughts, more frequent heavy downpours, massive wildfires, diminishing snowpack, and depleted groundwater. Each have consequences for water supplies, so action is needed now to adapt our water infrastructure to these challenges.

AMWA supports expanding EPA's Drinking Water System Infrastructure Resilience and Sustainability Program, which offers competitive funding assistance to help the nation's water systems address the variety of threats posed by climate change and other natural hazards.

#### Climate change and extreme weather jeopardizes water service

Natural hazards influenced by climate change are altering typical hydrologic conditions and putting drinking water infrastructure at risk. Many utilities are already at work to increase resilience to threats as varied as prolonged drought and more frequent intense storms, but much more needs to be done.

### Water systems could spend \$1 trillion on adaptation by 2050

These costs, which could include developing new water sources, relocating and rebuilding threatened infrastructure and implementing new sustainable practices, will come in addition to the billions of dollars' worth of traditional infrastructure upgrades already facing water and wastewater utilities.

# A 2018 AWIA program will aid vital water resilience efforts

Authorized by Congress through America's Water Infrastructure Act of 2018, EPA's Drinking Water System Infrastructure Resilience and Sustainability Program is designed to help communities implement critical water adaptation and resilience measures, such as infrastructure hardening, water conservation and supply enhancement, and energy efficiency. Congress appropriated \$3 million for this program in FY20, and EPA will soon begin to award funding to communities on a competitive basis.

## Congress should expand and reauthorize the program

Eligibility for the Drinking Water System Infrastructure Resilience and Sustainability Program is currently limited to small and disadvantaged communities, and the program's authorization expires with the end of the 2020 fiscal year. During the 116<sup>th</sup> Congress Sens. Ben Cardin and Shelley Moore Capito introduced the Clean Water Infrastructure Resilience and Sustainability Act (S. 2636) to expand the current program to cover cities and towns of all sizes, establish a separate version for wastewater infrastructure, and provide renewed funding authorizations. AMWA supports reintroduction and passage of that legislation in 2021 because it would help all communities across the country prepare their water infrastructure for the climate and extreme weather-related challenges of the coming decades.



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# Pursue social equity through drinking water affordability



Ensuring access to safe drinking water is essential to achieving equity and social justice for all Americans. But today the cost of basic water service poses a challenge to many low-income households, particularly for those in vulnerable communities. Aging water infrastructure and expanded regulatory mandates are expected to put additional upward pressure on local water rates in the coming years.

AMWA believes that federal, state, and local levels of government must work together to ensure that all households are able to pay their water bills without imposing undue hardship on financially vulnerable families.

### Everyone needs equitable access to safe drinking water

Widespread access to clean and safe drinking water is one of America's greatest public health achievements, but today more and more families are having trouble paying their water bills. The problem is particularly acute for low-income households that simply cannot afford increased water service costs associated with infrastructure improvements and regulatory compliance.

## **Current affordability metrics paint an incomplete picture**

Today, EPA considers residential drinking water service to be "affordable" on a national scale if it represents less than 2.5% median household income, as measured in small communities. This figure is used to determine if a new regulation would make water service too expensive, but it fails to fully account for impacts on any community's lowest earners, who are the first to suffer when water rates rise. Instead, EPA should calculate water affordability with a metric that prioritizes impacts on any community's lowest-earning residents, such as those with income in the lowest quintile, while also factoring in total drinking water and wastewater service costs.

# Water rate assistance should be part of the federal safety net

For years, the federal government has operated critical programs to help low-income households meet nutritional needs and cover home heating costs. We believe similar investments should be made to help in-need Americans pay their water bills. The public health and social justice return on such investments will far outweigh their initial costs and will be particularly beneficial to vulnerable communities.

# The recent COVID-19 relief package offers a promising start

In the 116<sup>th</sup> Congress, AMWA supported the Low-Income Water Customer Assistance Programs Act (H.R. 4832/S. 2687), which proposed a federal pilot program to fund local-level initiatives that help low-income consumers pay their water bills. A separate, \$638 million low-income water ratepayer assistance program passed in December as part of Congress' year-end COVID-19 relief package. This new program is intended to help vulnerable individuals maintain water service during the pandemic while also providing budgetary certainty to local public water systems. AMWA hopes this new initiative can serve as a model for a permanent water ratepayer assistance program.



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