



**ASSOCIATION OF
METROPOLITAN
WATER AGENCIES**

LEADERS IN WATER

1620 I Street, NW, Suite 500
Washington, DC 20006

P 202.331.2820 **F** 202.785.1845
amwa.net

March 17, 2021

The Honorable Tom Carper
Chairman
Committee on Environment and
Public Works
United States Senate
Washington, DC 20510

The Honorable Shelley Moore Capito
Ranking Member
Committee on Environment and
Public Works
United States Senate
Washington, DC 20510

The Honorable Tammy Duckworth
Chair
Subcommittee on Fisheries, Water,
and Wildlife
United States Senate
Washington, DC 20510

The Honorable Cynthia Lummis
Ranking Member
Subcommittee on Fisheries, Water,
and Wildlife
United States Senate
Washington, DC 20510

Dear Chairman Carper, Ranking Member Capito, Chair Duckworth, and Ranking Member Lummis:

The Association of Metropolitan Water Agencies (AMWA) appreciates the opportunity to submit comments for the record of today’s hearing on “Examining the Challenges Facing Drinking Water and Waste Water Infrastructure Projects.” As an organization representing the nation’s largest publicly owned drinking water systems, with a collective service population of more than 156 million Americans, we believe one of the best ways to facilitate action on water infrastructure investment is for Congress to act expeditiously to reauthorize and fund a number of critical drinking water infrastructure assistance programs.

Three years ago, Congress succeeded in enacting the bipartisan America’s Water Infrastructure Act of 2018, commonly known as AWIA. This landmark legislation reauthorized the Drinking Water State Revolving Fund (DWSRF) and the Water Infrastructure Finance and Innovation Act (WIFIA) programs for the first time, while also creating a handful of new water infrastructure initiatives targeting priorities like drinking water climate resilience and emergency preparedness. However, the AWIA authorizations are beginning to expire, meaning that now is the time for Congress to recommit to these and other essential water infrastructure assistance programs.

Despite the progress represented by AWIA, and annual appropriations that have delivered funding to many of these authorized programs over the past several years, America’s water and wastewater infrastructure remains in need of additional attention. EPA’s most recent Drinking Water Infrastructure Needs Survey and Assessment found that the nation’s drinking water infrastructure

BOARD OF DIRECTORS

PRESIDENT

Angela Licata
New York City Department of
Environmental Protection

Mike Armstrong
WaterOne

Richard Harasick
Los Angeles Department of
Water and Power

Sue McCormick
Great Lakes Water Authority

VICE PRESIDENT

John Entsminger
Las Vegas Valley Water
District

Tad Bohannon
Central Arkansas Water

Robert Hunter
Municipal Water District of
Orange County

Steve Schneider
Saint Paul Regional Water
Services

TREASURER

Yvonne Forrest
Houston Water

Shane Chapman
Metropolitan Water District of
Southern California

Ghassan Korban
Sewerage and Water Board of
New Orleans

John P. Sullivan, Jr.
Boston Water and Sewer
Commission

SECRETARY

Jeffrey Szabo
Suffolk County Water Authority

Scott Dewhirst
Tacoma Water

Carrie Lewis
Portland Water District

Timothy Thomure
Tucson Water

**CHIEF EXECUTIVE
OFFICER**

Diane VanDe Hei

David Gadis
DC Water

Ron Lovan
Northern Kentucky Water
District

requires more than \$472 billion worth of investments over two decades just to maintain current levels of service. The agency's corresponding needs estimate for wastewater infrastructure identified another \$271 billion in required spending, but even these estimates may be too modest. The needs surveys do not take into account costs associated with new regulations to address emerging drinking water contaminants, or funds that drinking water and wastewater systems will be forced to spend to upgrade their infrastructure to withstand the effects of climate change and extreme weather. These challenges will only grow in the coming years, just as states and communities work to emerge from the economic fallout of the COVID-19 pandemic.

To jumpstart these necessary investments in the nation's water systems, AMWA believes that any comprehensive water infrastructure proposal produced by the Environment and Public Works Committee this year must reauthorize the following drinking water infrastructure programs:

- **The Drinking Water State Revolving Fund**

The Drinking Water SRF is EPA's foundational program for promoting public health protection through drinking water quality. Through capitalization grants from EPA, states leverage DWSRF funds to issue low-cost or subsidized loans for projects that improve drinking water quality and therefore avoid or address serious public health risks. As of mid-2019, the DWSRF had provided more than \$41.1 billion to help communities nationwide carry out more than 15,000 projects to upgrade drinking water infrastructure, improve water supply sources, and modernize drinking water treatment. However, the three-year DWSRF reauthorization enacted in AWIA is set to expire at the conclusion of the 2021 fiscal year.

- **The Water Infrastructure Finance and Innovation Act**

Congress created WIFIA in 2014 to offer competitive low-cost loans for large-scale drinking water and wastewater infrastructure projects that are generally expected to cost in excess of \$20 million. Through WIFIA, EPA can leverage each appropriated dollar into roughly \$100 worth of loans – an excellent return on the federal investment that to date has allowed EPA to close 45 WIFIA loans providing more than \$9 billion in credit assistance. AWIA reauthorized WIFIA for the first time, but the program will expire after the 2021 fiscal year.

- **Reducing Lead in Drinking Water Grants**

The Water Infrastructure Improvements for the Nation Act of 2016 authorized a new five-year EPA program to deliver funding assistance to help communities and low-income homeowners offset costs associated with the full replacement of lead service lines. The first \$17 million worth of grants supporting lead service line replacement projects were issued in the fall of 2020, a crucial first step of what is estimated to be tens of billions of dollars' worth of lead service line replacement costs nationwide. This program's authorization also expires with the end of the 2021 fiscal year.

- **The Drinking Water System Infrastructure Resilience and Sustainability Program**

AWIA authorized, within Sec. 1459A(l) of SDWA, EPA's first program dedicated to helping community water systems adapt their infrastructure to withstand the effects of climate change and extreme weather. Known as the Drinking Water System Infrastructure Resilience and Sustainability Program, it promises to offer competitive grants to enhance water supply options and increase the resilience of community water systems to natural hazards such as floods, hurricanes, wildfires, or other hydrologic changes. Congress has appropriated \$7 million for the program to date, but its scope is limited because AWIA restricted eligibility to drinking water systems serving fewer than 10,000 people, or systems serving disadvantaged communities as defined by SDWA. This effectively excludes roughly 4,300 of the nation's community water systems, serving a collective population of 250 million Americans, from any chance at competing for a share of program funds. Among the excluded water systems are those serving Tulsa, Oklahoma; Jackson, Mississippi; Little Rock, Arkansas; and Austin, Dallas, and Houston, Texas – all places where at least some residents were left without clean drinking water or experienced service interruptions due to frozen equipment, power outages, and water main breaks associated with the severe winter storm that battered the South in February. The program's authorization expired after the 2020 fiscal year, and AWWA supports a robust reauthorization while removing the unnecessary restrictions that prevent all community water systems nationwide from having an opportunity to apply for funds. We further support efforts to establish a companion resilience and sustainability program under the Clean Water Act to serve the nation's wastewater systems.

- **The Drinking Water Infrastructure Risk and Resilience Program**

While similarly named, EPA's Drinking Water Infrastructure Risk and Resilience Program serves a different – though also vital – purpose. Authorized by AWIA through Sec. 1433(g) of SDWA, this program is intended to help community water systems respond to risks identified in the system's emergency response plan. Eligible uses of funding include obtaining equipment for detecting malevolent acts, installing perimeter security systems, tamper-proofing manhole covers and fire hydrants, improvements to computer systems and cybersecurity, and equipment necessary to support emergency water and power supplies. The program's authorization expires after the 2021 fiscal year, but it should be extended as community water systems are just beginning to complete their mandated emergency response plans that outline strategies to address identified risks. The committee should also consider expanding eligible uses of program funds to support water system participation in information-sharing networks that provide intelligence on cybersecurity threats and recommended response actions.

Additionally, the committee should take the opportunity of this water infrastructure legislation to explore establishing a permanent water ratepayer assistance program to aid low-income households. This program could be based upon the Low-Income Household Drinking Water and Wastewater Emergency Assistance Program that was created by Congress as part of December's package of COVID-19 relief legislation and which has since received more than \$1.1 billion in appropriated funds. The nation's water affordability challenge will not end at the conclusion of the COVID-19

The Honorable Tom Carper, The Honorable Shelley Moore Capito,
The Honorable Tammy Duckworth, The Honorable Cynthia Lummis
March 17, 2021
Page 4 of 4

pandemic, so Congress should act to make a low-income water ratepayer assistance program an ongoing component of the federal safety net.

AMWA appreciates the opportunity to submit these comments for the record of this important hearing. As the Environment and Public Works Committee continues to develop a water infrastructure bill, AMWA and its members hope to remain engaged to ensure the strongest possible legislation this year.

Sincerely,



Diane VanDe Hei
Chief Executive Officer

CC: Environment and Public Works Committee members