

LEADERS IN WATER

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March 21, 2023

The Honorable Jeff Merkley
Chair, Subcommittee on Interior, Environment, and
Related Agencies
Committee on Appropriations
United States Senate
Washington, DC 20510

The Honorable Lisa Murkowski Ranking Member, Subcommittee on Interior, Environment, and Related Agencies Committee on Appropriations United States Senate Washington, DC 20510

Dear Chair Merkley and Ranking Member Murkowski

As your subcommittee begins developing FY24 appropriations legislation for the Environmental Protection Agency, the Association of Metropolitan Water Agencies (AMWA) respectfully asks that you seek full funding for the agency's essential water infrastructure funding programs.

EPA has found that the nation's drinking water systems require more than \$470 billion worth of improvements over the next 20 years, just to maintain current levels of service. In addition, we expect this cost to increase in the years ahead as water systems work to comply with new regulatory mandates related to PFAS, and to prepare their infrastructure to withstand the effects of climate change and extreme weather. Without strong federal investment, more of these costs will fall on local water ratepayers.

To this end, AMWA asks that subcommittee provide strong and robust funding for EPA's drinking water infrastructure programs in FY24, including:

- \$3 billion for the Drinking Water State Revolving Fund (42 U.S.C. 300j-12(m)). The DWSRF supports capitalization grants to states that in turn offer low-interest loans to communities carrying out water infrastructure projects that benefit public health or facilitate compliance with the Safe Drinking Water Act. Fully funding the DWSRF will help states maintain adequate resources to fund these projects even if a portion of the funds are reserved to support congressionally directed spending priorities.
- **\$100 million for grants to address emerging contaminants (42. U.S.C. 300j-12(t)).** Authorized in the National Defense Authorization Act for Fiscal Year 2020, these grants would be distributed through the DWSRF to help water systems address PFAS and other emerging contaminants. With EPA recently proposing a National Primary Drinking Water Regulation for six PFAS compounds, it is essential that Congress provide funding to ensure

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that water systems have the capability to meet this standard.

- **\$80 million for the Water Infrastructure Finance and Innovation Act (WIFIA) program** (**33 U.SC. 3912(a)(3)**). WIFIA offers competitive, low-cost financing to help communities pay for large-scale drinking water and wastewater projects that are generally expected to cost at least \$20 million. Because WIFIA funds are leveraged, this investment would support several billion dollars in direct credit assistance for water projects nationwide. We urge you to support President Biden's request of \$80 million for WIFIA in FY24.
- **\$50 million for the Midsize and Large Drinking Water System Infrastructure Resilience and Sustainability Program (42 U.S.C. 300j-19g)**. This program is designed to help drinking water systems take steps to prepare to withstand the effects of natural disasters and cyber threats. Eligible projects include those that conserve water or increase the efficiency in its use, modify or relocate infrastructure threatened by natural hazards or extreme weather, or deploy measures to reduce a water system's cyber vulnerabilities.
- **\$100 million for Reducing Lead in Drinking Water grants (42 U.S.C. 300j-19b)**. This program offers direct funding to help communities reduce risks associated with lead in drinking water by fully replacing lead service lines or conducting inventory inspections to determine where lead pipes are located.
- \$40 million for the Voluntary School and Child Care Program Lead Testing and Reduction Grant Program (42 U.S.C. 300j-24(d)). This program offers direct funds to local educational or daycare facilities to remediate the threat of lead in drinking water within their own buildings, such as replacing outdated drinking water fountains.

We also recognize that last year EPA was provided with \$3 million to carry out a needs assessment to identify national household water affordability needs, and that the agency must complete this assessment before the agency's Rural and Low-Income Water Assistance Pilot Program may begin to provide funds to households. AMWA urges you to appropriate funds for this pilot program in FY24, so EPA may begin offering grant assistance as soon as possible after the needs assessment is completed.

Again, we strongly support robust appropriations for EPA's drinking water infrastructure programs in FY24 to support the objective of protecting public health and promoting drinking water quality. We hope these goals will be reflected in your subcommittee's Interior, Environment, and Related Agencies spending proposal, and we are eager to work with you as this process unfolds in the coming months.

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Sincerely,

Tom Dallie

Thomas Dobbins Chief Executive Officer

cc: The Honorable Patty Murray, the Honorable Susan Collins Interior, Environment, and Related Agencies Subcommittee members