

March 24, 2021

The Honorable Nancy Pelosi
Speaker of the House
US House of Representatives
Washington, DC

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

The Honorable Kevin McCarthy
Minority Leader
US House of Representatives
Washington, DC

The Honorable Mitch McConnell
Minority Leader
US Senate
Washington, DC

RE: Federal Investment in Water Infrastructure

Dear Congressional Leaders,

The undersigned organizations urge Congress to include robust funding and financing for drinking water, wastewater, water reuse and stormwater infrastructure in every infrastructure package considered during the 117th Congress. Given the well-documented needs of our nation's aging water infrastructure, an infrastructure package represents an excellent opportunity to provide necessary resources to meet long-term economic, public health and environmental goals. We do appreciate the work Congress has begun on this in House and Senate legislation this spring.

The undersigned organizations urge Congress to prioritize water, wastewater, water reuse and stormwater infrastructure in its national strategy for infrastructure investment, including:

- Robust funding, including planning, design, engineering, construction, technical assistance, manufacturing, research and innovation for the water sector. This includes funding of key water infrastructure programs in every federal agency that works with the water sector, including but not limited to U.S. EPA, USDA, HHS, HUD and the Bureau of Reclamation with a focus on capital projects that will create jobs and spur the economy.
- Financing, including the preservation of tax-exempt bonds is critical to incentivizing private-sector investment in water infrastructure.

Providing funding, financing and flexibility across the water sector through an intentional and robust focus on programs and projects supports increased protection for public health and the environment, job creation and economic growth, more resilient communities and more affordable utility rates.

Strengthening the federal partnership is essential to ensuring communities can provide vital water, wastewater, water recycling and stormwater services without over-burdening ratepayers. Increased federal funding for water infrastructure will also help build climate resilience and boost the nation's economy by giving Americans skilled jobs and helping local communities prosper.

The U.S. EPA estimates that America's water and wastewater infrastructure requires nearly \$750 billion worth of investment over the next 20 years just to maintain current levels of service, and independent estimates place this figure over \$1 trillion. The COVID-19 pandemic has undoubtedly increased these numbers, as systems undergoing revenue loss have deferred previously planned infrastructure projects. With the federal government's increasingly limited funding to these projects, local ratepayers shoulder much of this burden, particularly impacting low-income communities.

Replacing aging infrastructure accounts for much of the investment gap. In addition, federal regulatory requirements over the last three decades have steadily grown to account for a significant portion of the cost associated with investment needs. While federal contributions to transportation infrastructure have stayed constant at approximately half of total capital spending, federal investment in water infrastructure has declined from 63% to 9% since 1977.

America's future economic strength depends on investments made today in water infrastructure. These investments create jobs and support the economy. Every \$1 invested in drinking water and wastewater infrastructure increases long-term GDP by \$6.35 and provides \$23.00 in public health-related benefits. These new jobs in the water sector are also high-paying (~\$64,000/year), skilled, and largely recession-proof. Studies also show that the US economy would gain more than \$200 billion in annual economic activity and 1.3 million jobs over a 10-year period by meeting its current water infrastructure needs. Without these investments, interruptions in the essential services of drinking water, wastewater, and stormwater services are projected to cost manufacturers and other businesses over \$7.5 trillion in lost sales and \$4.1 trillion in lost GDP from 2011 to 2040.

In a recent survey of Americans' opinions on the value of investing in our water resources, 78% of respondents said it's "extremely or very important" that the President and Congress develop a plan to rebuild America's water infrastructure. The same survey found that 88% of respondents agreed that increased federal investment was needed to rebuild water infrastructure.

In addition, the cost of water service to low-income customers is an increasing concern and the U.S. federal contributions to water infrastructure will help local utilities alleviate the cost of water service to these customers.

Our nation has faced many challenges throughout its history – including the current ongoing pandemic. Through collaboration and perseverance, we have found solutions. Our organizations applaud Congress for its past efforts to address the nation’s infrastructure challenges. We strongly encourage you to make water infrastructure a top priority alongside other sectors in any forthcoming infrastructure package.

The officers and staffs of the undersigned organizations are available to answer any questions you may have on the nation’s water infrastructure needs. The water community offers the experiences and expertise of its members from across the country to assist Congress in developing the water section of the new infrastructure plan, and we look forward to a continued partnership with Congress in providing affordable access to water, wastewater, water reuse and stormwater services for every community across the United States.

Sincerely,

American Public Works Association
American Water Works Association
Association of Metropolitan Water Agencies
Council of Infrastructure Financing Authorities
National Association of Clean Water Agencies
National Rural Water Association
Rural Community Assistance Partnership
The Water Research Foundation
US Water Alliance
Water and Wastewater Equipment Manufacturers Association
Water Environment Federation
WaterReuse Association

Cc/ members of the U.S. House of Representatives
members of the U.S. Senate