



May 2nd, 2024

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

The Honorable Mike Simpson
Chair, Subcommittee on Interior,
Environment, and Related Agencies
Committee on Appropriations
United States House of Representatives
Washington DC, 20515

The Honorable Chellie Pingree
Ranking Member, Subcommittee on Interior,
Environment, and Related Agencies
Committee on Appropriations
United States Senate
Washington DC, 20515

Dear Chair Merkley, Ranking Member Murkowski, Chair Simpson, and Ranking Member Pingree,

As your respective subcommittees begin developing FY25 appropriations legislation for the Environmental Protection Agency, the nation's drinking water, wastewater, stormwater, and water reuse organizations respectfully ask that you provide full funding for the agency's critical water infrastructure funding programs.

The Bipartisan Infrastructure Law provided EPA with nearly \$50 billion for drinking water and wastewater infrastructure around the country. However, EPA has estimated that nearly \$900 billion¹ is needed to allow the nation's drinking water and wastewater systems to maintain current levels of service over the next 20 years. These costs exclude new treatment systems necessary to address emerging contaminants, removing lead service lines, or any of the other upgrades that water systems will have to make in the coming years to comply with new regulations.

It is for these reasons that water infrastructure needs to be prioritized in FY25 and the water sector recommends the following funding amounts for EPA's water infrastructure programs:

- **\$3.25 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

¹ https://www.epa.gov/sites/default/files/2016-01/documents/cwns_2012_fact_sheet_final_01_14_16_0.pdf
<https://www.epa.gov/dwsrf/epas-7th-drinking-water-infrastructure-needs-survey-and-assessment>

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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.

- **\$3.25 billion for the Clean Water State Revolving Fund (CWSRF) (33 U.S. Code § 1387)**
The CWSRF is the primary federal clean water financing tool that communities and public clean water utilities utilize to help meet their Clean Water Act (CWA) obligations and infrastructure needs. The CWSRF has been instrumental to communities' successes in advancing water quality and public health protection.
- **\$80 million for the Water Infrastructure Finance and Innovation Act (WIFIA) program (33 U.S.C. 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.
- **\$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 finalizing a National Primary Drinking Water Regulation for six PFAS compounds, it is essential that Congress provide funding to ensure that water systems have the capability to meet this standard.
- **\$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.
- **\$280 million for Sewer Overflow and Stormwater Reuse Municipal Grants (33 U.S. Code § 1301(f)(1)).**
The Sewer Overflow and Stormwater Reuse Municipal Grants program provides grant dollars to assist municipal clean water utilities and communities in more affordably managing combined sewer overflows, sanitary sewer overflows, and stormwater flows for water reuse. This essential program provides communities with direct grant dollars (as opposed to loans) to make these critical investments.
- **\$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.

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- **\$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.
- **\$25 million for the Pilot Program for Alternative Water Source Grants (33 U.S.C. 1300).** Congress authorized the Pilot Program for Alternative Water Source Grants in the IJA to help communities build long-term sustainable water supplies while protecting public health and the environment. Through this competitive grant program, EPA will provide 50 percent cost-share grants to water resource development agencies to engineer, design, construct, and test alternative water source systems, including water reuse and stormwater reuse systems.
- **\$25 million for the Clean Water Infrastructure Resilience and Sustainability Program (33 U.S. Code § 1302a(g)(1))**
The Clean Water Infrastructure Resilience and Sustainability Program addresses rising threats to clean water infrastructure from climate change. Publicly owned treatment works (POTWs) can use the grants to assist in the planning, design, construction, implementation, operation, or maintenance of a program or project to increase the resiliency or adaptability of water systems to natural hazards, cybersecurity vulnerabilities, or extreme weather events, including those related to climate change.
- **\$6 million for the Innovation Water Infrastructure Workforce Development Grant Program (42 U.S. Code § 300j-19e(c)(5))**
The Innovation Water Infrastructure Workforce Development Grant Program addresses the water industry's widespread shortage of qualified workers due to expected retirements, new investments in the nation's infrastructure, and new technical and scientific skill sets required to operate and maintain these systems. The program supports collaboration among federal, state, and local governments and institutions of higher education, apprentice programs, labor organizations, high schools, and other community-based organizations to provide access to workforce opportunities and build career pipelines in the water sector.
- **\$2 million for EPA's Integrated Planning (IP) (33 U.S. Code § 1342(6)(s))**
Integrated Planning (IP) can assist large and small communities in managing costs and sequencing and prioritizing their clean water investments—empowering communities to maximize environmental benefits and prioritize their most critical environmental outcomes. The IP approach requires a shift from business as usual, requiring significant upfront work by communities, states, and EPA to achieve improved outcomes. This request equals what the Committee included for IP in FY 2024.

Again, we strongly support robust appropriations for EPA's drinking water, wastewater, stormwater, and water reuse infrastructure programs in FY25 to support the objective of protecting public health and promoting water quality. We hope these goals will be reflected in each of your subcommittee's Interior, Environment, and Related Agencies appropriations bills, and we are eager to work with you as this process unfolds in the coming months.

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Sincerely,

Association of Metropolitan Water Agencies
American Water Works Association
Association of Clean Water Agencies
Water Environment Federation
US Water Alliance
WateReuse Association

Cc: The Honorable Patty Murray, The Honorable Susan Collins, The Honorable Tom Cole, and
The Honorable Rosa DeLauro