

Opening Statement of the Honorable John Shimkus
Subcommittee on the Environment
Hearing on “Reinvestment and Rehabilitation of Our Nation’s Safe
Drinking Water Delivery Systems”
March 16, 2017

(As prepared for delivery)

The Subcommittee will come to order. I recognize myself for 5 minutes for giving an opening statement.

Today’s hearing gives our panel a chance to look broadly at our nation’s drinking water infrastructure and examine questions about what is necessary for the Federal government to do in the way of reinvestment and rehabilitation of these systems to meet future needs.

Currently, more than 51,000 community water systems treat 42 billion gallons of water for use by 299 million Americans daily. This water -which is used for anything from cooking and bathing in homes, factories, or offices, to firefighting- is delivered by publicly and privately owned water utilities stretching over one million miles of pipe. It is really a remarkable feat of engineering that demonstrates our nation’s commitment to public health and a higher standard of living.

For more than a decade, there have been concerns raised about this system and whether our nation is making the choices it needs to make in order to ensure effective and efficient delivery of safe drinking water in the future. Many of the pipes now in use were installed in the early and mid-20th century and have a projected lifespan of 75 to 100 years.

In 2013, the EPA announced that a bit more than \$384 million of investment was needed between 2010 and 2030 to improve drinking water infrastructure and ensure the provision of safe tap water. This report was not a suggestion that the Federal government needed to provide all of that funding, but it and other reports have served as wake up calls to the threat facing these systems and begs the question of whether Congress should be doing more.

Before the Safe Drinking Water Act Amendments of 1996, to the extent that it was needed, Congress’s role in financing drinking water infrastructure was confined to

line items for specific projects – a practice that has been substantially curtailed. In 1996, Congress, realizing the biggest economic problem facing drinking water systems was the cost of unfunded mandates, created the State Revolving Loan Fund program to provide low-interest loans that helped address compliance and public health needs.

Last year, the Water Infrastructure Improvements for the Nation Act authorized \$600 million between two new programs dedicated to tackling lead pipe replacement and aiding economically disadvantaged and underserved communities. In addition, this law tried to further invigorate loans not related to drinking water act compliance through the Water Infrastructure Finance and Innovation Act (WIFIA) program.

While I think these are solid steps, we must also reauthorize funding for the drinking water revolving loan fund program or DWSRF. The DWSRF has been a very successful and important program whose purpose is synergistic in view of other infrastructure programs – having provided more than \$20 billion in funding to over 12,400 projects since 1997.

We must also explore other avenues that not only leverage investments in these utilities' infrastructure, but also do it in a way that promotes American workers and protects consumers' health and pocketbooks. We need to be smart about our investments.

This is not going to be an easy discussion, but to be successful; it is one we must have.

I believe we must not be afraid to spend more Federal money on this issue, but we must maintain local fees as the primary generator of funds for daily operation and maintenance of public water systems, as well as their long-term capital investment needs.

That said, we must acknowledge that not only as a percentage of household income, U.S. households pay less for water and wastewater than other developed countries and that water rates have dropped 3% more recently.

We also must remember that some systems have taken the unpopular step of raising rates. But not everyone can do that, whether due to population contraction or local economic condition, because their rate bases aren't able to handle capital improvements as well as others do.

So long as we focus on trying to increase overall purchasing power for communities, our constituents can enjoy their drinking water for the next 75 to 100 years.

Before I relinquish my time, I want to thank our witnesses for being here today, especially in view of the crazy weather and travel schedules you have. I also want to welcome the Board members of the Association of State Drinking Water Administrators – we appreciate all the work you do and how important you are to the success of the Safe Drinking Water Act.

With that, I yield back the balance of my remaining time and recognize the Ranking Member of the Subcommittee for 5 minutes to give his opening statement.