



May 18, 2017

Via E-mail

The Honorable John Shimkus
Chairman, Environment Subcommittee
Energy and Commerce Committee
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Paul Tonko
Ranking Member, Environment Subcommittee
Energy and Commerce Committee
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Shimkus and Ranking Member Tonko,

On behalf of the members of the United Steelworkers (USW), we applaud the Environment Subcommittee for the hearing during infrastructure week on water infrastructure. Our union is very committed to the repair, rehabilitation, and rebuilding of America's water infrastructure, especially those authorized by the Safe Drinking Water Act. We are grateful for the opportunity to submit these remarks for the hearing record, and we look forward to working with the committee to achieve a legislative solution that results in a well-funded and stable reauthorization of these programs, as well as maximizes their ability to provide not only desperately-needed infrastructure improvements, but thousands of good jobs as well.

The Steelworkers union has a unique interaction with drinking water funding as our union members are involved in all aspects of our country's drinking water infrastructure. With over 50,000 members in the iron and steel industry, our members forge and manufacture the pipes, fittings, and other

materials used in many communities to transport and deliver water to Americans. USW also has a large and growing public sector, which includes close to 2,000 members who conduct work related to municipal water and wastewater treatment plants.

USW members are employed by numerous manufacturers related to water infrastructure including McWane Ductile, Mueller Water Products and Ligon Industries, to name a few. The domestic manufacturing base related to water infrastructure has the opportunity to expand. Congress must address the critical maintenance needs in drinking water infrastructure in a manner that maximizes job creating potential.

The United States uses 42 billion gallons of water a day to support daily life from cooking and bathing in homes to use in factories and offices across the country. Drinking water is delivered via one million miles of pipes across the country. Every day, nearly six billion gallons of treated drinking water are lost due to leaking pipes, with an estimated 240,000 water main breaks occurring each year.

The deferred maintenance in our country's water infrastructure creates substantial waste and inefficiencies. It is estimated that leaky, aging pipes are wasting 14 to 18% of each day's treated water; the amount of clean drinking water lost every day could support 15 million households.¹ A Chicago State University study showed that by reducing the amount of water leaked annually in the U.S. by only 5 percent would result in saving enough energy to power 31,000 homes for a year and cut 225,000 metric tons of carbon dioxide emissions.² Upgrading and repairing our nation's infrastructure has the potential to create hundreds of thousands of jobs. The American Society of Civil Engineers currently grades our drinking water infrastructure at a "D" level in their most recent report card.³ Raising our drinking and clean water systems to a "B" grade over the next 10 years could support or create an estimated 144,000 jobs across the U.S. economy.⁴ However it is critical for Congress to implement policies which maximize the job creation potential of increasing domestic investment in drinking water infrastructure.

¹ <https://www.infrastructurereportcard.org/wp-content/uploads/2017/01/Drinking-Water-Final.pdf>

² https://www.bluegreenalliance.org/wp-content/uploads/2016/08/102414-Making-the-Grade_vFINAL.pdf

³ <https://www.infrastructurereportcard.org/wp-content/uploads/2017/01/Drinking-Water-Final.pdf>

⁴ https://www.bluegreenalliance.org/wp-content/uploads/2016/08/102414-Making-the-Grade_vFINAL.pdf

USW has long advocated for domestic preferences such as “Buy America” policies to ensure tax payer dollars create American jobs. In particular, USW strongly supports the American Iron and Steel Buy America preference which has been applied to the Drinking Water State Revolving Fund since 2014. This policy has been a huge success in driving job and production growth in the waterworks manufacturing sector. For example, our employers report operating capacity at plants rising from around 25 percent to closer to 70 percent after the inclusion of Buy America requirements in water infrastructure. That is the difference between one shift of work and three shifts at a mill. This additional capacity also lowers the overall cost of producing pipe as plants run more efficiently. Our members are economically more secure and are more competitively manufacturing the products necessary to fulfill the needs of America’s water infrastructure.

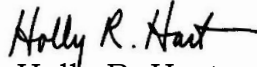
The AIS preference for the Drinking Water SRF has been annually renewed via the appropriations process, including in the just-passed FY2017 omnibus appropriations measure. By contrast, the companion program to the Drinking Water SRF, the Clean Water State Revolving Fund, has a permanent statutory application of the AIS preference, which was added in the Clean Water Act Amendments in the 2014 Water Resources Reform and Development Act. USW urges this subcommittee, as well as the full Energy and Commerce Committee, to take a similar path and include a permanent statutory application of the AIS preference for the Drinking Water SRF in any reauthorization or amendment of the Safe Drinking Water Act.

We are pleased to see that the LIFT America Act, introduced earlier this week and cosponsored by several members of the subcommittee, includes the permanent statutory application of AIS in its water title, as it did in the AQUA Act from the previous Congress. We are also pleased that the level of authorized funding for the Drinking Water SRF (\$22.56 billion over 5 years) is the sort of serious investment to address a serious problem that we need. As the subcommittee considers this discussion draft and the LIFT America Act, we hope that the final package includes both adequate funding and permanent statutory application of AIS for the Drinking Water SRF. Done right, we can repair and rehabilitate America’s water infrastructure and create thousands of good manufacturing jobs at the same time.

Our nation’s water infrastructure is in dire need of repair to prevent leakage and protect the safety of the American public. We urge Congress to ensure that legislation to address these problems also creates and maintain

good jobs for American workers. We look forward to continuing to work with the committee on this issue in the future.

Sincerely,



Holly R. Hart
Assistant to the President
Legislative Director

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