

AMERICAN PUBLIC WORKS ASSOCIATION

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February 27, 2020

Representative Paul Tonko, Chair House Committee on Energy and Commerce Subcommittee on Environment and Climate Change 2125 Rayburn House Office Building Washington, DC 20515 Representative John Shimkus, Ranking Member House Committee on Energy and Commerce Subcommittee on Environment and Climate Change 2322 Rayburn House Office Building Washington, DC 20515

Re: Water Infrastructure Funding in Fiscal Year (FY) 2021 EPA Budget

Dear Chairman Tonko and Ranking Member Shimkus:

On behalf of the over 30,000 members of the American Public Works Association (APWA), we want to thank you for holding this hearing to discuss the fiscal year 2021 budget request for the Environmental Protection Agency (EPA). Because they are on the front lines providing essential services to their communities, the men and women of public works are often first to see and experience the impact of federal funding decisions. For local communities to meet new federal standards set by EPA for lead contamination, emerging contaminants, and source water protection, robust federal resources must be provided.

The Trump Administration's FY 2021 budget request for the Agency is not sufficient to meet the needs of our nation's communities when it comes to water infrastructure. The funding levels requested represent cuts to the programs that are primarily tasked with funding investment in our water infrastructure. These reductions come when the Agency itself estimates that the existing need for investment in water infrastructure is nearly \$744 billion over the next 20 years. These figures don't include the overall costs associated with the myriad water treatment techniques required to meet continually changing federal drinking water standards. With that in mind, APWA urges you to support the following funding items for EPA's FY 2021 budget:

- Fund the Water Infrastructure Finance and Innovation Act (WIFIA) at \$78 million, with \$15 million for assistance for state infrastructure financing authorities;
- Fund the Drinking Water State Revolving Fund (DWSRF) at \$1.95 billion, the level authorized in America's Water Infrastructure Act of 2018 (P.L. 115-270); and
- Fund the Clean Water State Revolving Fund (CWSRF) at \$2.4 billion as authorized in H.R.1497, the Water Quality Protection and Job Creation Act of 2019.

PRESIDENT William E. (Bill) Spearman III, P.E.

CHIEF EXECUTIVE OFFICER Scott D. Grayson





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The above-mentioned programs are essential to public works professionals across the country and providing funding for them will show Congress is committed to investing in our country's critical infrastructure needs.

Water Infrastructure Financing Innovation Act (WIFIA)

WIFIA is a cost-effective mechanism that will help communities deal with the more than \$1.3 trillion price tag for needed water infrastructure investments. Based on calculations from the Office of Management and Budget, Congressional appropriations could be leveraged at a ratio of 92:1. For example, if WIFIA were to receive the same \$63 million it received in FY 2020, the program could cover \$5.8 billion in credit assistance. Additionally, language in the same legislation would provide state financing authorities with direct access to federal funding, allowing them to finance essential water infrastructure projects at an estimated 100:1 ratio. An appropriation of \$15 million for FY 2021 would finance \$1.5 billion in water infrastructure investment.

Drinking Water and Clean Water State Revolving Funds

The DWSRF and CWSRF programs are shining examples of partnership between the federal government and the states. Through 2017, over \$35 billion has been signed into nearly 14,000 DWSRF loans by the state programs to water systems to fund critical infrastructure needs. For CWSRF, the 51 CWSRF programs have multiplied federal and state contributions, resulting in over \$126 billion in available funding for eligible projects.

Thank you for your consideration of the above outlined funding priorities. I look forward to working with you and your staff in the future. If you have any questions, please contact APWA's Government Affairs Manager, Sean Garcia, in our Washington, D.C. office at sgarcia@apwa.net or at 202-218-6734.

Sincerely,

William E. (Bill) Spearman III, PE

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