Attachment—Additional Questions for the Record

Subcommittee on Environment and Climate Change Hearing on "Trusting the Tap: Upgrading America's Drinking Water Infrastructure" March 29, 2022

Mr. Erik D. Olson, Senior Strategic Director for Health & Food, Natural Resources Defense Council

The Honorable John P. Sarbanes (D-MD)

1. In order to make sure that the State Revolving Fund (SRF) funding appropriated through the Infrastructure and Jobs Act (IIJA) serve the communities most in need of water infrastructure funding – including the disadvantaged communities that are considered part of larger, urban water systems that would not considered disadvantaged on average – how should states redefine their definition of disadvantaged when distributing these funds?

RESPONSE:

We agree with EPA's March 8, 2022 Bipartisan Infrastructure Law Implementation Memo¹ which states (at page 40) that "Examples of criteria within affordability and disadvantaged community definitions that can be barriers include...[d]efinitions based solely on population or definitions that include population as a determining factor. EPA strongly encourages states to amend their affordability and disadvantaged community definitions if they currently utilize any of these...criteria." The agency further pointed out with apparent approval that "some states define a disadvantaged community to include a large public water system where a particular project within the system addresses a sub-set of the service area that meets affordability criteria." *Ibid* at 42. Overall, the agency made several recommendations to states (*ibid* at 40-43) that would help ensure that SRF funding appropriated through the Bipartisan Infrastructure Law will serve communities most in need of infrastructure funding. In our view, this must include disadvantaged communities that are part of larger water systems whose residents may not be considered "disadvantaged" on average, but where a portion of the population served is disadvantaged by any fair definition of that term. We strongly agree that a project—such as, for example, a lead service line replacement project—that is targeted to help a significant population of low-income people within a city should qualify for SRF grant or forgivable loan funds as disadvantaged community, even if the residents served by the water system as a whole would not be considered to be disadvantaged on average.

¹ Available at <u>https://www.epa.gov/system/files/documents/2022-03/combined_srf-implementation-memo_final_03.2022.pdf</u>