

## WWEMA Endorses Water Infrastructure Investment as Part of Water Week 2020



In conjunction with *Water Week 2020*, the Water and Wastewater Equipment Manufacturers Association (WWEMA) has joined with related associations including, the American Water Works Association, the Water Environment Federation, the National Association of Clean Water Agencies, the Association of State Drinking Water Administrators, the American Society of Civil Engineers, the US Water Alliance, and others in supporting water infrastructure investment and the related water policy principles outlined in [\*America's Water Infrastructure- Investing & Building for the Future\*](#). Water infrastructure remains a significantly underfunded need, with the U.S. Congressional Budget Office (CBO) finding the federal share of the total U.S. water and wastewater investment currently below five percent—a much lower federal cost-share than other infrastructure sectors. WWEMA, along with the other allied Associations, calls for strong federal infrastructure investment not only to meet today's needs but to meet the growing needs associated with emerging contaminants, resiliency, and support of innovation in areas such as water reuse. It is estimated that over the next 20 years, the nation's drinking water and wastewater infrastructure will require \$750 billion.

Water utility infrastructure is supported by approximately 1.7 million workers. Over the next decade, this workforce is expected to experience a retirement rate of approximately one-third. The exodus of these workers means there is a risk their technical knowledge base will also be exiting the industry. WWEMA calls on the federal government to support the sector to prevent a shortage of required skilled workers. Specifically, we call on the U.S. Congress to reauthorize and increase funding for the *Innovative Water Infrastructure Workforce Development Grants Program*, which was created under the *Water Resources Development Act (WRDA)* in 2018. With the initial \$1 million provided in FY2020, the U.S. EPA is standing up the program to provide workforce development assistance to utilities and communities.

Additionally, WWEMA calls for increased funding for the *Clean Water and Drinking Water State Revolving Fund (CWSRF and DWSRF) Programs*. Specifically, we call on the U.S. Congress to reauthorize and double funding for the *CWSRF Program* to \$3.3 billion for FY2021. We also call for the *DWSRF's* reauthorization and funding at an annual level not below its full FY2021 authorization of \$1.95 billion. Other areas where WWEMA calls for congressional support include:

- Provide \$20 million for the U.S. EPA *National Priorities Water Research Grant Program* in FY2021 for water research and technology development.
- Ensure that U.S. EPA updates its *Affordability Guidance* to better assess household affordability and community financial capacity.
- Reauthorize and provide increased funding for the *Water Infrastructure Finance & Innovation Act (WIFIA) Program*.
- Reauthorize and provide increased funding for the U.S. EPA *Sewer Overflow and Stormwater Reuse Municipal ("Section 221") Grant Program*.
- Ensure that local ratepayers and utilities do not bear the costs of remediating per- and polyfluoroalkyl substances (PFAS).
- Financial assistance via coronavirus aid packages to make utilities whole by providing for water services regardless of the ability to pay during the pandemic and assistance to mitigate lost revenues resulting from abrupt business and industry demand declines.
- Support the U.S. Department of Agriculture *Rural Development Water & Wastewater Loan and Grant Program* by providing \$1.6 billion in loans and \$600 million in grants in FY2021.
- Provide strong funding for state drinking water and clean water primacy agencies to implement the SDWA and CWA.



## America's Water Infrastructure

# Investing & Building for the Future



Over the next 20 years, the nation's drinking water and wastewater infrastructure will require

## \$750 billion



Federal share of total investment in U.S. water and wastewater is

## below 5%



## 1.7 million

U.S. workers are directly tied to water utility infrastructure.



WATER WEEK 2020

### STRONG FEDERAL INVESTMENT

A key foundation of American communities is the ability to provide safe, reliable, and affordable drinking and clean water services. The threat of coronavirus is reminding Americans of the vital importance of reliable water and wastewater services to mitigating spread of disease.

But our nation's wastewater, stormwater and drinking water infrastructure are at a critical juncture and local communities are being called upon to do more with less to meet existing and growing challenges.

According to U.S. EPA estimates, the nation's drinking water and wastewater infrastructure will require nearly \$750 billion over 20 years just to maintain current levels of service. This does not include new costs such as addressing emerging contaminants, investing in resiliency, or innovating in areas such as water recycling to ensure safe and reliable local water supplies. Federal investments are critical to helping communities meet today's needs and prepare for tomorrow's challenges.

Significantly, the Congressional Budget Office finds that the federal share of total U.S. water and wastewater investment is currently below 5% — a much lower federal cost share than other vital infrastructure sectors. Strengthening the federal partnership is essential to ensuring communities can provide vital water and wastewater services without over-burdening ratepayers.

### EVIDENCE & RISK-BASED SCIENCE

As stewards of our communities, the water sector strives each day to protect public health and the environment. We firmly believe that policies and regulations must be developed through an evidence and risk-based scientific and regulatory process that ensures complex water quality challenges, such as PFAS and other emerging contaminants, are properly addressed.

### RESEARCH, TECHNOLOGY, & INNOVATION

The Clean Water Act and Safe Drinking Water Act have made vast improvements in environmental and public health over the past five decades. But as our nation's water infrastructure ages and water quality and quantity challenges become more complex, stronger federal investment in water research and technological development is needed to spur innovative and cost-effective solutions and address new challenges.

### AFFORDABILITY

Across the U.S., many communities and their utilities are facing significant water affordability challenges, as rising rates for local water services disproportionately impact the poorest segments of these communities. The water sector is calling on U.S. EPA to revisit its financial capability guidance, and for the federal government to be a partner in addressing low-income water affordability issues.

### WORKFORCE DEVELOPMENT

1.7 million U.S. workers are directly tied to water utility infrastructure. Over the next decade however, the water utility workforce is expected to incur a retirement rate of over one-third. Further federal support for water utility workforce is needed to prevent a shortage of skilled workers.

# What can Congress Do?



- Reauthorize the Clean Water State Revolving Fund (CWSRF) program and double the current funding level of \$1.64 billion to \$3.3 billion for FY2021. The CWSRF was established in 1987 to replace the Clean Water Construction Grants program. It has become a key financing tool providing more than \$45 billion in federal capitalization grants which states have used to generate over \$130 billion in clean water infrastructure projects nationally.
- Reauthorize and fund the Drinking Water State Revolving Fund (DWSRF) at an annual level not below its full FY21 authorization of \$1.95 billion. From its establishment in 1996 through 2018, the DWSRF has provided more than \$38.2 billion to help cities and towns nationwide carry out more than 14,500 projects to upgrade drinking water infrastructure, reduce public health risks, improve water supply sources, and modernize drinking water treatment.
- Support the USDA Rural Development Water & Wastewater Loan and Grant Program by providing \$1.6 billion in loans and \$600 million in grants in FY21. This program serves rural areas with populations of 10,000 or less.
- Reauthorize the Title XVI-WIIN Water Reclamation and Reuse Competitive Grants Program at \$100 million per year, and provide at least \$50 million in FY21. The program has been used to restore sensitive ecosystems, increase the supply of drinking water, generate sustainable irrigation water, and help industries create jobs. There are currently 56 Title XVI-WIIN eligible projects awaiting assistance, with a total of more than \$700 million in eligible federal cost-share. This list will only grow as more projects become eligible.
- Reauthorize U.S. EPA's Pilot Program for Alternative Water Source Grants at \$75 million per year. This program would provide communities across the country the tools they need to improve water quality and enhance supplies.
- Reauthorize and provide increased funding for the Water Infrastructure Finance & Innovation Act (WIFIA) program. EPA's FY20 appropriations legislation provided \$55 million for WIFIA to leverage into as much as \$11.5 billion worth of loans and loan guarantees for major drinking water and wastewater infrastructure projects.
- Reauthorize and provide increased funding for the U.S. EPA Sewer Overflow and Stormwater Reuse Municipal ("Section 221") Grant program. This grant program was funded for the first time at \$28 million in FY20 after being reauthorized in the 2018 WRDA package. The program targets a crucial void – federal grant dollars for clean water infrastructure – and we urge Congress to continue building this program in FY21.
- Provide \$18 million for the U.S. EPA's National Priorities Water Technical Assistance Program in FY21.
- Provide \$20 million for the U.S. EPA National Priorities Water Research Grant Program in FY21. This grant program is the most important source of federal funding that directly supports extramural water research and technology development and deployment to help tackle our One Water research priorities.
- Reauthorize and increase funding for the Innovative Water Infrastructure Workforce Development Grants Program created in WRDA 2018. With the initial \$1 million provided in FY20, U.S. EPA is standing up the program to provide workforce development assistance to utilities and communities.
- Ensure that local ratepayers and utilities do not bear the costs of remediating PFAS. Further, ensure that policies to analyze and regulate PFAS follow an evidence and risk-based assessment process as established in the Safe Drinking Water Act (SDWA) and Clean Water Act (CWA), and that EPA moves as expeditiously as possible in making its regulatory determinations.
- Help water systems prepare for climate and extreme weather challenges by reauthorizing EPA's Drinking Water System Resilience and Sustainability Program, and expand eligibility to include all drinking water and wastewater systems nationwide.
- Ensure U.S. EPA updates its Affordability Guidance with a methodology that better assesses household affordability and community financial capability to more accurately reflect the true affordability of all water services.
- Through the coronavirus response packages, provide financial assistance to make utilities whole for providing water services regardless of ability to pay during the pandemic and to help mitigate lost revenues resulting from sharp, sudden declines in water use as businesses and industries shuttered.
- Provide strong funding for state drinking water and clean water programs including the Public Water System Supervision Grant and Clean Water Act Sec. 106 Grants. Federal funding for implementing the Safe Drinking Water Act and Clean Water Act are vital to protect public and environmental health.

