

TESTIMONY OF

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**BEFORE THE
U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT**

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Thank you, Chairman Napolitano, Ranking Member Rouzer, and members of the Subcommittee.

I am Radhika Fox, Assistant Administrator for the U.S. Environmental Protection Agency's (EPA's) Office of Water. I am grateful for the opportunity to appear before you today to discuss EPA's budget request for water programs for Fiscal Year 2022. The National Water Program's FY 2022 President's Budget is \$5.2 billion of EPA's total \$11.2 billion request. This budget request supports key areas of investment that will help provide safe water for drinking, reliable wastewater service, and power our great economy by giving EPA the tools necessary to revitalize our nation's water infrastructure, to work with states, Tribes, and local partners, and to ground equity and climate into all of our work. Water is central to addressing the key challenges facing our nation—from COVID-19 to economic recovery, climate change, and equity.

The Biden-Harris Administration is moving quickly to support our state and local partners and to invest in needed water infrastructure. In the first 100 days of the Administration, EPA closed more than \$1.3 billion in job-creating Water Infrastructure Finance and Innovation

Act (WIFIA) loans to multiple communities, which will support total project investments of over \$2.6 billion. These investments will generate nearly 9,000 jobs and improve water quality for nearly 4 million people. Additionally, in April of this year EPA announced the availability of a further \$6.5 billion in water infrastructure funding under the WIFIA and state infrastructure financing authority WIFIA (SWIFIA) program, which is estimated to create an additional 40,000 jobs. In March 2021, EPA announced the availability of \$2.7 billion for State Revolving Funds (SRFs) to assist states, Tribes, and territories with infrastructure projects that help provide safe drinking water and protect surface waters in communities across the United States. The FY 2022 President's Budget requests \$3.3 billion for State Revolving Funds (SRFs) to assist states, Tribes, and territories. The FY 2022 President's Budget requests \$80 million for the WIFIA program to unlock more affordable credit to communities and create jobs by rebuilding and repairing our nation's water infrastructure. The FY 2022 President's Budget also requests \$600 million for drinking water and wastewater grants including the Water Infrastructure Improvements for the Nation Act (WIIN Act) grant programs and the Innovative Water Infrastructure Workforce Development grant program.

In collaboration with its state and local partners, EPA has demonstrated that investing in water infrastructure provides multiple benefits to communities. Through water infrastructure, we can improve public health and environmental protection by reducing exposure to harmful contaminants like lead and per- and polyfluoroalkyl substances (PFAS), while creating jobs and setting the stage for long-term economic development. With strategic partnerships and community leadership, water infrastructure can address key challenges facing communities.

This experience underscores the community benefits that can be created by the Bipartisan Infrastructure Framework, which represents the largest water infrastructure investment in

American history. The proposed \$55 billion would be used to enhance EPA's existing and successful water infrastructure programs to meet significant water infrastructure investment needs. For example, the Bipartisan Infrastructure Framework would invest in needed water infrastructure upgrades across the country to support our wastewater systems, reduce pollution that affects the environment and public health, bolster climate resiliency, and address contaminants such as PFAS. This funding will also put plumbers and pipefitters to work, replacing 100 percent of the nation's lead pipes and service lines so every American can turn on a faucet or a fountain and drink clean water.

Under the Biden-Harris Administration and Administrator Regan's leadership, the Agency is embedding equity into everything it does. We must ground our actions in the understanding that low-income people, Tribes, rural communities, and communities of color are disproportionately impacted by water related challenges—from contaminated water resources to flooding to climate stress. For the first time in FY 2021, funding for our WIFIA program will prioritize projects that benefit disadvantaged communities. This priority shows EPA's commitment to public health, equity, and affordability for our highly successful WIFIA program. Affordability is another challenge the water sector must navigate, and EPA is currently assisting the Department of Health and Human Services in the design of a \$600 million water rate assistance program for low income communities.

Embedding equity into our investments and rulemaking is also essential to our response to the climate crisis. Communities of color, Tribes, rural communities, and low-income people disproportionately feel climate stress in the form of drought, flooding, heat islands, invasive species, and sea level rise. President Biden is committed to making progress on climate through whole-of-government solutions. He called for cutting greenhouse gases and highlighted how

critical infrastructure investments can create more resilient water systems, generate jobs, and produce innovative clean technology. The Office of Water will work with the water sector to ensure that infrastructure investments keep climate and resiliency at the forefront, play a key role in reducing greenhouse gas emissions, and mitigate the impact of climate change on communities. This call to action is essential and long overdue and will help protect our communities from the worst threats of climate change including unprecedented super storms, floods, and droughts. In 2020 alone, we saw how damaging climate disasters can be with 22 separate weather events that cost \$95 billion in damaged homes, businesses, and infrastructure. Investments in water infrastructure can help to reduce the impacts of severe climate disasters and ensure our systems are resilient to the challenges these events present. Making our infrastructure more robust is key to securing better opportunities and outcomes for our nation.

We are also working to ensure that our regulatory efforts protect the health of the American people. In order to achieve this goal, the Agency will utilize sound science, follow the rule of law, and undertake our regulatory rulemaking in a manner that is transparent, grounded in partnership with our co-regulators in the states and Tribes, and informed by robust stakeholder engagement. We intend to do this with the goal of developing durable policies across the Office of Water, including the Lead and Copper Rule, definition of Waters of the United States, Clean Water Act section 401, and actions on PFAS.

Our ability to achieve these bold goals will be determined by the strength of our partnerships. None of these goals will be possible without strong collaboration between the Executive and Legislative branches. That is why I am so honored to join you today. Once again, Chairwoman Napolitano, Ranking Member Rouzer, and Members of the Subcommittee, thank

you for the opportunity to discuss the FY 2022 President's Budget for the EPA's National Water Program. I look forward to answering any questions you may have.