June 1, 2021

The Honorable Peter DeFazio Chairman House Committee on Transportation and Infrastructure Washington, DC

The Honorable Sam Graves Ranking Member House Committee on Transportation and Infrastructure Washington, DC The Honorable Grace F. Napolitano Chairwoman Subcommittee on Water Resources and Environment Washington, DC

The Honorable David Rouzer Ranking Member Subcommittee on Water Resources and Environment Washington, DC

Dear Committee Chair DeFazio, Ranking Member Graves, Subcommittee Chair Napolitano, and Ranking Member Rouzer:

On behalf of the Healing Our Waters-Great Lakes Coalition and our more than 170 member organizations, I write to offer our support for the proposed substitute amendment to H.R. 1915, the Water Quality Protection and Job Creation Act of 2021.

The Coalition is grateful for the work of the Water Resources and Environment Subcommittee to quickly take up bipartisan wastewater infrastructure legislation and its continued collaboration to ensure the Committee advances the comprehensive infrastructure investment our country needs. The proposed substitute amendment takes significant steps forward in beginning to address our regional and nationwide clean water needs while prioritizing climate resilience and investments in our most vulnerable communities.

The Great Lakes region is facing a water infrastructure crisis. Grappling with crumbling and unsafe drinking water and wastewater infrastructure, our communities need a staggering \$188 billion over 20 years to improve, upgrade, and repair systems. \$12 \$77.5 billion of this is needed for stormwater and wastewater infrastructure needs alone in the eight-state region of Illinois, Indiana, Michigan, Minnesota, New York, Ohio, Pennsylvania, and Wisconsin. This work is increasingly unaffordable as the federal contribution has declined precipitously over the last four decades, falling from 63 percent of water infrastructure spending to 9 percent today. Too often these costs are being passed on to those who can least afford it, disproportionately impacting communities that have historically borne the brunt of environmental injustice with water utility bills doubling or tripling over the last decade in many cities. Michigan State University researchers predict that by 2022, 1-in-3 Americans will find it difficult to afford their water bills.

These challenges are only expected to get worse as a changing climate leads to more rain and flooding pushing our systems to their limits or as toxic contaminants that threaten public and ecosystem health require more costly and advanced technology to treat. Investing in our region's water infrastructure would not only protect public health but also allow for important infrastructure upgrades improving the

¹ https://www.epa.gov/dwsrf/epas-6th-drinking-water-infrastructure-needs-survey-and-assessment

² https://www.epa.gov/cwns/clean-watersheds-needs-survey-cwns-2012-report-and-data

³ https://www.apmreports.org/story/2019/02/07/great-lakes-water-shutoffs

⁴ https://research.msu.edu/affordable-water-in-us-reaching-a-crisis/

resiliency of our communities, reducing maintenance and operational costs, and creating good paying local jobs.

We urge the Committee support the proposed substitute amendment to H.R. 1915 that can help the federal government act quickly and lead a comprehensive response to the nation's water infrastructure crisis by:

- ✓ Reauthorizing EPA's Clean Water State Revolving Fund at \$8 billion annually.
 - Setting a minimum and expanding the cap for use of additional subsidization of loans whether through principal forgiveness, negative interest loans, or grants.
 - Codifying the Green Project Reserve to promote projects enhancing resiliency, sustainability, and/or utilizing natural infrastructure solutions.
- ✓ Reauthorizing EPA's Sec. 221 Sewer Overflow and Storm Reuse Municipal Grants at \$400 million annually.
 - Reducing the non-federal cost share for financially distressed communities to a maximum of 25 percent and creating a 20 percent set-aside to help address the needs of small communities.
- ✓ Reauthorizing EPA's Sec. 106 State Water Pollution Control Grants at \$500 million annually.
- ✓ Authorizing an EPA Emerging Contaminants grants program at \$200 million annually.
 - The grant program will provide critical resources to enhance the ability of publicly owned treatment works to implement pretreatment standards or effluent limitations developed for toxic PFAS and other harmful contaminants.
- ✓ Requiring a study analyzing the historical distribution of federal wastewater infrastructure funds to rural, economically disadvantaged, and Tribal communities.

Though the Coalition is supportive of the amendment, we hope that as the Act continues to move through the legislative process the Committee supports strengthening the bill or supporting companion efforts to comprehensively address nationwide water quality and infrastructure needs. In particular, the Coalition encourages:

- ✓ Enhancing the Clean Water State Revolving Fund by:
 - Increasing the amendment's 10 percent minimum set-aside for additional subsidization to 20 percent. Ensuring investment and expansion of subsidization targets small and disadvantaged communities to address the infrastructure affordability crisis our most vulnerable and under-resourced communities face.
 - Codifying the Green Project Reserve at 20 percent (currently 15 percent), providing technical support and incentivizing the use of natural infrastructure that supports communities trying to reduce stormwater runoff and build resilience in the face of climate change.
 - Promoting economic development in disadvantaged communities through local hiring and job training opportunities for local workforce development in SRF-funded projects.
- ✓ Supporting state water quality protection through the reauthorization of the Sec. 319 Nonpoint Source Pollution Management Programs at a minimum of \$200 million annually. Preserving and strengthening source water protections that also help reduce runoff, support fish and wildlife, and provide recreational opportunities.

- ✓ Strengthening public engagement and education across EPA programs, expanding the public engagement opportunities offered by the "Report on Wastewater Infrastructure Funding for Rural, Economically Disadvantaged, and Tribal Communities".
 - As written the amendment would only require a single public engagement opportunity in a rural, economically disadvantaged, and Tribal community respectively. The challenges and barriers that have impacted the historical distribution of funds to these underinvested communities can vary across the country. Public engagement in only a single community for each of these classifications is insufficient for generating a deep understanding of historical distributions, barriers to access, and providing recommendations to enhance equitable investment that may vary by region.
- ✓ Dedicating resources through the EPA and other relevant agencies to address the growing water affordability crisis.
 - Incorporating measures to ensure people can afford their water, such as providing more flexible financing options like grants for disadvantaged communities; supporting and creating programs like those in last year's Low Income Sewer and Water Assistance Program Act that help low-income households pay their water bills; providing incentives for utilities to adopt more equitable water and sewer rate structures; and ensuring funding is invested in communities in ways that empower and build those communities through job training and long-term employment.
- ✓ Addressing challenges faced by rural and decentralized wastewater systems, providing grants for centralized system connection or repairs and replacements of failing septic systems for low-income households.
- ✓ Ensuring that infrastructure legislation does not undermine or weaken environmental protections.

The Coalition looks forward to working with the Committee to pass comprehensive water infrastructure legislation. The proposed substitute amendment to H.R. 1915 is a vital first step in the process. We must quickly move to address this infrastructure crisis that has threatened the health of our communities and left too many low-income and minority households facing unsafe and unaffordable water. Fixing our region's failing infrastructure can put people to work, set the stage for economic revitalization in our towns and cities, and ensure safe, clean, and affordable water is available to all. Our communities stand ready to get to work, delaying action will only make the problems worse and costlier to solve.

We are pleased to offer our support for much-needed legislation and urge the Committee continue to prioritize the passage of comprehensive water infrastructure legislation this year. If you have any questions, please contact our Coalition's Policy Director Chad Lord at (202) 454-3385 or clord@npca.org.

Sincerely,

Coalition Director

Cc: The Honorable John Katko