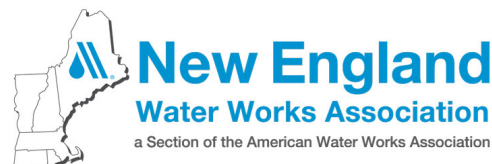


2018 National Water Policy Fly-In

NEWEA/NEWWA Talking Points - Washington, DC – April 17-18, 2018

Our Top Priority – Provide Robust Federal Funding for Water Quality

- Every \$1 invested in water or wastewater infrastructure increases long-term domestic product by \$6.35.
- For every \$1 in SRF spending, (\$0.23 is the federal contribution) the US Treasury receives \$0.93 in federal tax revenues.
- For every \$1 Million in SRF spending, \$2.95 million is created in the local economy and 16.5 jobs are created with an average salary of \$60,000/yr.
- As costs are shifted down to the local level affordability becomes increasingly more difficult for low income and fixed income constituents. “Bang for the buck” is more imperative than ever and EPA’s integrated planning is one avenue to help prioritize spending. Water rates have increased 41% nationwide since 2010, in five years 41 million households may find it difficult to afford rates. Rates over 2.5% of Median Household Income can impact utilities borrowing ability.
- America’s economic future depends on clean and safe water, yet our water, wastewater and stormwater systems are old and in critical need of repairs, upgrades and replacements. The American Society of Civil Engineers gives these systems only a “D” letter grade. Costs to improve and maintain these systems continue to increase but the amount the federal government spends on these systems has decreased from \$17 billion dollars in 1977 (2014-dollar equivalent; 63% of total investment) to \$4.4 billion dollars in 2014 (9% of total investment). O&M costs rise faster than these capital investments.
- Although not funded at the levels we requested last year (FY18 Clean Water SRF \$2.8 billion funded at \$1.694 billion and FY18 Drinking Water SRF \$1.8 billion funded at \$1.163 billion) the levels in the recently-passed FY18 Omnibus Spending Package are the first annual SRF appropriations increase since the 2010 fiscal year. The increase of \$600 million for the State Revolving Funds (SRFs) – split equally between the Drinking Water SRF and the Clean Water SRF – represents the **most significant new money** for these programs in many years, and the proposed \$63 million for the Water Infrastructure Finance and Innovation Act (WIFIA) is a significant increase in funding (exceeds our request of \$45 million last year). **We would like to thoroughly thank our Congressional Delegation for all their efforts in this increase.** There seems to be a



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growing awareness among DC lawmakers for the importance of clean water. No one has pushed harder for this than our Northeast delegation where much of the oldest infrastructure is located and utilities are facing growing expenses for hardening vulnerable facilities against the impacts of rising sea levels and more severe weather.

- We would also like to thank our delegation for providing EPA funding at the current FY17 level (the Administration called for a decrease of 30%). It is imperative though that these allocated funds are actually spent.
- Upcoming areas of concern include USDA's rural water/wastewater loan and grant program where there is a \$3 billion backlog. We therefore urge Congress to increase funding for the Rural Development Water and Wastewater Loan and Grant program to \$650 million for grants and \$2 billion for loans.
- Biosolids are valuable reuse products ("carbon sinks", soil reclamation, etc.) produced through the wastewater process.
- Emerging contaminants are best dealt with by elimination of the source but then by advanced Wastewater Treatment Facilities where technologies are always improving. Onsite systems are not as robust and may be costlier to adapt. We ask that you support the conservation provisions in the House Farm Bill that improves protection of source water.
- Tax-exempt municipal bonds play a vital role in financing clean water infrastructure and in maintaining affordable rates. Municipal bonds fund over 80% of water infrastructure investments and we **thank you** for keeping new bonds tax-exempt.
- Average age of water utility workers is 55. Water Warriors campaign is one method to address workforce development, as over one third will retire in next ten years. S.2346 is a bill to establish a water workforce development program.

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