

Federal Legislation and the Water Sector

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Overview of Key Legislation

FY 2021 Consolidated Appropriations Act

A \$2.3 trillion bill that includes \$900 million in stimulus funding passed in December 2020

American Rescue Plan Act of 2021

A \$1.9 trillion COVID-19 stimulus bill passed in March 2021.

Proposed Infrastructure Bills

Still under consideration with ongoing discussions, but all include drinking water, wastewater and stormwater support.

Affordability Low Income - Household Water Assistance Program (LIHWAP)

\$1.136B in aid in *FY21 Consolidated Appropriations* and *American Rescue Plan Act*

Grants administered through the U.S. Dept. of Health & Human Services, Office of Children & Families (similar to LIHEAP [energy assistance])

State agencies responsible for existing LIHEAP (home energy programs) will administer funds beginning in late May/early June.

Create a permanent, well-funded Low Income Water Ratepayers Assistance Program.

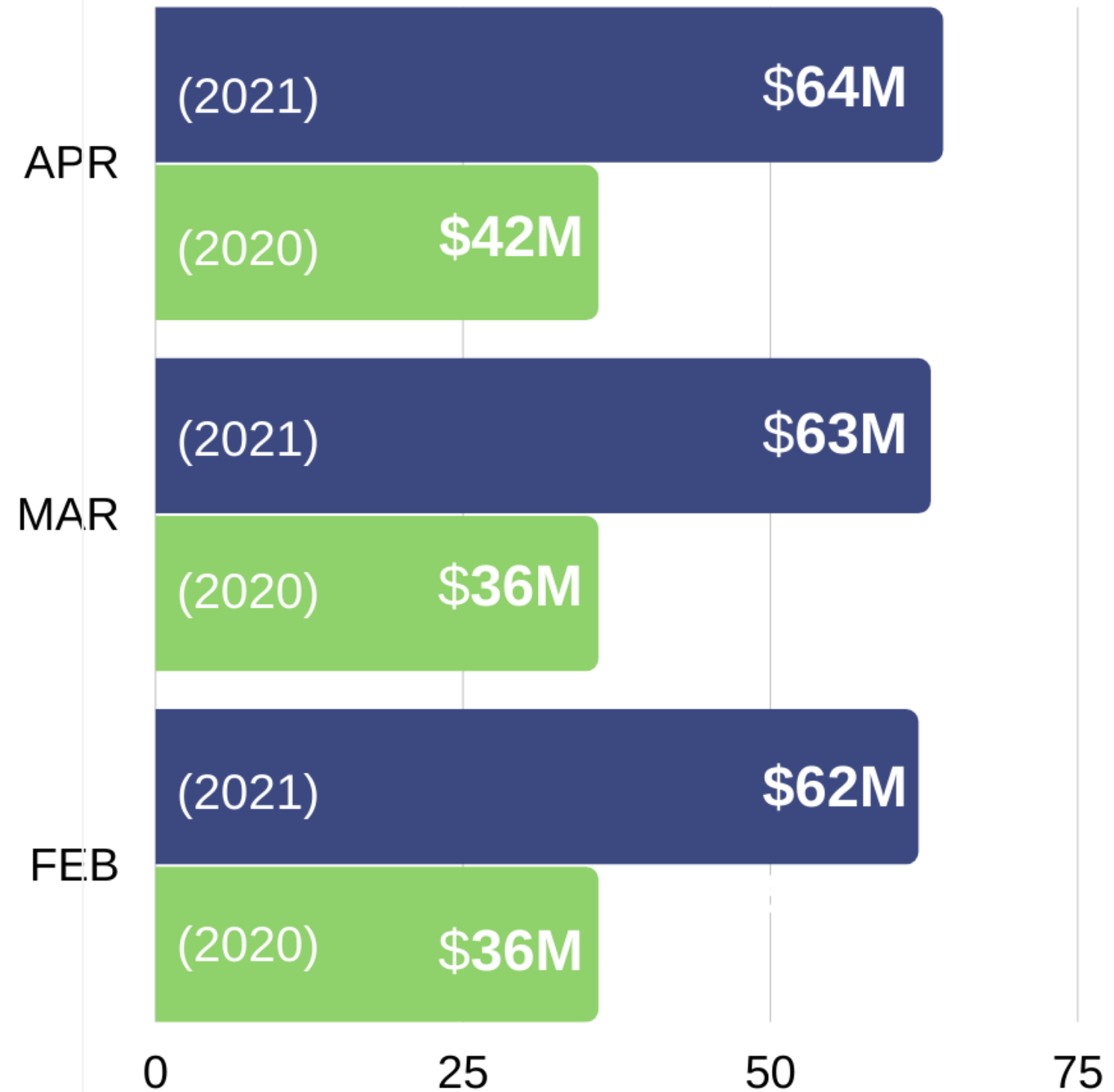
Affordability Emergency Rental Assistance (ERA)

\$46.55M in aid in *FY21 Consolidated Appropriations* and *American Rescue Plan Act*

Funds provided to states and communities, who **must allocate funds** to offset qualifying tenants' rent and utility payments and arrearages, **including water bills**.

Funds will be sent directly to utilities to credit the accounts of qualifying customers. **Up to 10% of ERA can be used to pay utility bills.**

Affordability Case Study: The Financial Impact of COVID - 19 to WSSC Water



Workforce Innovative Water Infrastructure Workforce Grants

\$1M in FY 2020 and **\$3M** in FY 2021
administered by the EPA.

Request for Applications (RFA) for initial grants issued Jan. 22 & closed on March 26. RFA for second round expected in coming weeks.

Drinking Water and Wastewater Act (S. 914)
reauthorizes the grant program at \$5 million
per year.

Water Quality and Jobs Act (H.R. 1915)
proposes authorization to use up to 1 percent
of CWSRF as workforce development grants,
which is \$16,000,000 at current funding levels

Infrastructure COVID 19 - Related State & Local Recovery Funds

\$350B in grant funding to help respond to COVID-19 public health emergency under ARPA

Treasury guidelines allow funding for “investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure”

Project eligibility criteria is the same as criteria for State Revolving Fund (SRF) projects and funding must be obligated by December 31, 2024.

State and local governments must appropriate funds received for water and wastewater infrastructure projects.

Infrastructure American Jobs Plan (Biden)

\$2 Trillion primarily by reversing 2017 corporate and global tax cuts.

\$111 Billion in Water Infrastructure Provisions:

- **\$45 Billion** for Lead Service Line replacement
- **\$10 Billion** for PFAS in Drinking Water
- **\$56 Billion** in grants and low-interest loans to “upgrade and modernize” drinking water, wastewater, and stormwater infrastructure.

Infrastructure : Republican Infrastructure Plan

\$568 Billion over five years funded by existing taxes and user fees.

\$35 Billion for Drinking Water and Wastewater Infrastructure

- Identical to the *Drinking Water and Wastewater Infrastructure Act of 2021* (S.914)
- Focus on traditional infrastructure: including drinking water and wastewater infrastructure and water storage.

Infrastructure Drinking Water & Wastewater Infrastructure Act of 2021 (S. 914)

\$35 Billion over five years. (Passed)

- **Clean Water SRF & Drinking Water SRF** : Each at \$14.65 billion
- **WIFIA**: \$250 million
- **Low - Income Water Ratepayer Assistance** grant pilot program
- **Sewer Overflow & Stormwater Reuse Municipal Grants** : \$1.4 billion
- **Alternative Source Water Pilot Program** : \$125 million
- **Wastewater Energy Efficiency Grant Pilot Program** : \$100 million
- **Infrastructure Resiliency & Sustainability Grants** : \$125 million
- **Connection to POTWs Grants** : \$200 million
- **Water Workforce Grants** : \$25 million
- **Stormwater Infrastructure Technology** : 5 centers of excellence and grants for planning and implementation

Infrastructure The Water Quality Protection & Jobs Creation Act of 2021 (H.R. 1915)

\$50 Billion over five years.

- Clean Water SRF: \$40 billion
- Increases Green Project Reserve to 15% (currently 10%)
 - Increases favorable loan terms to 30% (i.e. more principle forgiveness and grants)
 - Allows 1% of CW SRF funding to be used for workforce development
- Sewer Overflow & Stormwater Reuse Municipal Grants : \$2 billion
- State Management Assistance (Sect. 106) Grants: \$2.5 billion
- Watershed Pilot Projects Grants: \$1 billion
- Alternative Source Water Pilot Program: \$1 billion
- PFAS & other emerging contaminants grants: \$1 billion
- Indian Tribe Wastewater Grants: \$2.5 billion



Federal

Priorities

1. Direct financial assistance to water utilities who are experiencing revenue shortfalls because of the economic impact of the global pandemic.
2. Establishment of a permanent low-income customer assistance programs specific to water and wastewater utilities.
3. Increased and sustained funding for the repair, replacement and rehabilitation of water and wastewater infrastructure.
4. Direct appropriations for capital projects that increase reliability and enhance resiliency.

Local and State Commitments

State and local governments must appropriate funds received for water and wastewater infrastructure projects and customer assistance.

Talking Points

- Any increased federal funding needs to be GRANTS.
Utilities can not afford to take out more loans, which ratepayers will have to repay through rate increases.
- Water infrastructure fund MUST be in the major infrastructure package.
While federal funding amounts to about 60% of transportation funding, water infrastructure receives less than 4% of its funding from federally subsidized sources.
- Any increased federal funding MUST to be PERMINANT AND SUSTAINED.
The amount of aging water infrastructure needing to be repaired cannot be accomplished by a short -term funding increase. Much of the clean water infrastructure built using the Construction Grants program are at or near the end of their design life.
- Investing in water infrastructure will help communities become MORE RESILIENT AND SUSTAINABLE.
- Investing in water infrastructure will help communities address ENVIRONMENTAL JUSTICE inequities.





WEF Water Advocates Program



BECOME A MEMBER



Joining the Program is easy:

<http://wef.org/advocacy/water-advocates2/>

Two current Calls-to-Action:

- [Inclusion of Water in the Infrastructure Package](#)
- [Funding for Water Infrastructure in FY 22 Appropriations](#)

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The Water Environment Federation is a nonprofit association that provides technical education and training for thousands of water quality professionals who clean water and return it safely to the environment. WEF members have proudly protected public health, served their local communities and supported clean water worldwide since 1928.

LEARN MORE

Thank You!



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Resources

1 Low Income Assistance

<https://www.acf.hhs.gov/ocs/programs/lihwap>

2 Emergency Rental (ERA)

<https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/emergency-rental-assistance-program>

3 EPA Workforce Funds

<https://www.epa.gov/sustainable-water-infrastructure/innovative-water-infrastructure-workforce-development-program>

4 Use of Funds Guidelines

<https://home.treasury.gov/system/files/136/SLFRP-Fact-Sheet-FINAL1-508A.pdf>

5 WEF Call to Action

[Inclusion of Water in the Infrastructure Package](#)

[Funding for Water Infrastructure in FY 22 Appropriations](#)

6 WEF Water Advocates

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