

***Resolution Supporting the Removal of Barriers to Private Water and Wastewater Companies' Access to Federally Funded SRF Programs***

**WHEREAS**, With the passage of the Amendments to the Clean Water Act (CWA) in 1987, the U.S. Congress replaced the long-standing federal Construction Grants program with the Clean Water State Revolving Fund (CWSRF) program. The CWSRF program is available to fund a wide variety of water quality projects including all types of non-point source, watershed protection or restoration, and estuary management projects, as well as more traditional municipal wastewater treatment projects; *and*

**WHEREAS**, Since its inception the CWSRF Program has provided \$47.9 billion to water pollution control projects; *and*

**WHEREAS**, The Safe Drinking Water Act, as amended in 1996, established the Drinking Water State Revolving Fund (DWSRF) to make funds available to drinking water systems to finance infrastructure improvements. The program emphasizes providing funds to small and disadvantaged communities and to programs that encourage pollution prevention as a tool for ensuring safe drinking water; *and*

**WHEREAS**, Since its inception, the DWSRF Program has provided \$10.8 billion to water treatment and distribution projects; *and*

**WHEREAS**, In May 2002 the Congressional Budget Office estimated that over the next 20 years U.S. water utilities will have to invest between \$492 billion and \$820 billion to replace aging drinking water and wastewater infrastructure to continue to ensure the provision of safe water to their customers; *and*

**WHEREAS**, The installation of system upgrades, new water treatment facilities, and collection and treatment system improvements demands significant financial investment; *and*

**WHEREAS**, The CWSRF and DWSRF programs are widely viewed as successful partnerships between federal and State governments in addressing important health and environmental problems; *and*

**WHEREAS**, By federal law CWSRF money is currently unavailable to private utilities; by State law DWSRF money is unavailable in 10 States; and 11 States, without legislative prohibition, have yet to provide SRF funds to private utilities; *and*

**WHEREAS**, On July 20, 2005, the Senate Environment and Public Works Committee passed S. 1400, the Water Infrastructure Financing Act, which would open the CWSRF program to private systems; *and*

**WHEREAS**, On September 27, 2005, the Senate unanimously passed S. 1709, the Gulf Coast Emergency Water Infrastructure Assistance Act, which would allow private wastewater systems access to the CWSRF programs in three States (LA, MS, AL) affected by Hurricane Katrina; *and*

**WHEREAS**, The National Association of Regulatory Utility Commissioners (NARUC) previously has resolved by resolution dated February 28, 1996 that funding to promote compliance with drinking water standards should be provided through the SRF to all water systems regardless of ownership; *and*

**WHEREAS**, NARUC seeks to make available reasonable alternatives for funding of water and wastewater infrastructure; *and*

**WHEREAS**, The availability and use of SRF low interest loans promotes effective and viable water and wastewater systems, and therefore any unreasonable barriers to their full utilization should be removed; *now therefore be it*

**RESOLVED**, That the Board of Directors of the National Association of Regulatory Utility Commissioners (NARUC), convened in its February 2006 Winter Meetings in Washington, D.C., encourages federal legislation that would allow private utilities access to the CWSRF; *and be it further*

**RESOLVED**, That NARUC encourages all State regulators to work with their State primacy agencies to identify and remove barriers which prohibit or impede private water utilities from receiving monies from DWSRF programs.

---

*Sponsored by the Committee on Water*

*Adopted by the NARUC Board of Directors February 15, 2006*