



N A R U C
National Association of Regulatory Utility Commissioners

October 21, 2020

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, DC 20515

Re: Help is needed now for low-income water and wastewater customers

Congress needs to eliminate the ceiling for private activity bonds that support investment in water and wastewater infrastructure

Dear Speaker Pelosi and Leader McCarthy:

Every community, every person, every business, every worker relies on it. Agriculture, energy, manufacturing, and tourism—more than one fifth of our nation’s economic output—depend on water. Water is the most important thing in our daily lives—and most people don’t need to think twice about it.

But our nation’s water and wastewater infrastructure is at risk. Every two minutes, a water main breaks somewhere in America. Many cities are built on top of drinking water and wastewater systems that are more than a century old. In 2020, the American Society for Civil Engineers *again* graded the nation’s drinking water system infrastructure a D.

Water is an obvious necessity every single day. But the unemployment sparked by ongoing pandemic magnified the access problems for low income Americans.

In communities across America, aging infrastructure and unemployment is limiting access to water. This disrupts daily lives, threatens jobs and businesses, and puts our communities’ health and prosperity at risk. Infrastructure failures and income lapses have caused families from Flint, Michigan, to the Central Valley of California to experience the devastating impacts of living without water. Now is the time for America to commit to a future where everyone can count on reliable and safe water service—now, and for future generations. It is time to:

- Increase public *and private* investment in water infrastructure; and
- Create a program to ensure water is affordable, reliable, and accessible to everyone..

NARUC is a bipartisan organization that represents the public service commissions in all 50 states and U.S. territories that regulate the utilities that provide essential services such as water, energy, telecommunications, and transportation. Our members work closely with water utilities grappling with the immense task of repairing and replacing aging infrastructure while keeping rates affordable, especially for vulnerable populations.

Congress should immediately lift the Private Activity Bond Volume Cap for Water and Wastewater Projects.

The cost to replace, upgrade and repair our national water infrastructure will be expensive and cannot fall solely on the ratepayers. Action has been delayed too long, as the invisible crisis of aging water systems has increased. In America today, a water main breaks every 2 minutes. Today, October 21, 2020, has been designated *Imagine a Day Without Water* day to raise national awareness of the value of this vital resource. A day without water is nothing short of a crisis. On this

day of awareness, we call on Congress and the Administration to prioritize investments in water infrastructure and water resources.

Despite the vast challenges, the good news is that there is great opportunity in investment. A study conducted by the Value of Water Campaign found there is more than [\\$220 billion in economic activity](#) to be gained nationwide by closing the water infrastructure investment gap. Moreover, a May 2017 survey confirmed that Americans [cite rebuilding our nation's infrastructure](#) as the issue they most want our elected officials to address.

At our last meeting in July, 2020, NARUC highlighted one obvious and easy action for Congress.¹ Congress should eliminate the volume cap on so-called private activity bonds for water infrastructure projects. This creates a valuable tool for state and local governments to increase needed investments in this critical infrastructure.

Congress Should Create a Low-Income Subsidy Program for Water and Wastewater Customers

The pandemic has highlighted another opportunity for Congressional action. Many utility customers are already falling behind on utility bills and will need uniform programmatic assistance to get back on their feet in the wake of this pandemic. Congress has already created and each year funds the Low-Income Heating Energy Assistance Program to help low-income customers pay electric and gas bills. But, in spite of the obvious need, there is no companion program to assist low-income customers with their water bills. Now is the time to create a Low-Income Water Assistance Program to ensure low-income customers can afford these essential-to-life services.² Congress should also increase LIHEAP funding at least during the duration of the pandemic.

NARUC is committed to working with members of Congress, the Administration, industry, and other stakeholders to ensure that all communities have access to reliable and safe water.

If you have any questions, please contact NARUC's General Counsel Brad Ramsay, at 202-898-2207, jramsay@naruc.org.

Sincerely,



Brandon Presley
Mississippi Commissioner
NARUC President



Eric Anderson
Idaho Commissioner
Chair of NARUC Committee on Water

¹ See, NARUC's July 22, 2020 [Resolution Recommending Lifting the Private Activity Bonds' Volume Cap for Water and Wastewater Projects](#).

² See, NARUC's July 22, 2020 [Resolution Recommending Federal Rate Relief Remedies for Low Income Water and Wastewater Customers Resulting from the COVID-19 Health Emergency](#).