

NARUC Urges Hearing, Quick Passage of the Clean Water State Revolving Fund Parity Act (HR 250)

Bipartisan Proposal will Ensure Equal Access to Safe, Reliable, Affordable Wastewater Service to All Americans

WASHINGTON (April 7, 2023) — U.S. Reps. John Garamendi (D-CA) and Mike Bost (R-IL) introduced the <u>Clean Water State Revolving Fund Parity Act</u> (H.R. 250) in January. Today, the National Association of Regulatory Utility Commissioners, whose members regulate private water utilities, sent a letter Supporting Passage of HR 250, which will ensure that <u>all</u> wastewater customers receive the benefits of having their service providers access taxpayer-funded, low-interest infrastructure loans — not just those customers who live in areas served by government-owned systems.

The letter was sent to Speaker Kevin McCarthy (R-CA); Democratic Leader Hakeem Jeffries; Sam Graves (R-MO), Chairman of the Committee on Transportation; Rick Larsen, Ranking Member, Committee on Transportation; David Rouzer (R-NC), Chairman, House T&I Subcommittee on Water Resources and the Environment; and Grace Nepolitano (D-CA) Ranking Member, House T&I Subcommittee on Water Resources and the Environment.

"NARUC urges Congress to hold a hearing on, and then quickly pass the bipartisan bill introduced by Representatives Garamendis and Bostl," said NARUC President Michael Caron, of the Connecticut Public Utilities Regulatory Authority. "Currently, the Clean Water State Revolving Fund program discriminates against customers whose services are provided by America's private wastewater companies, even though tax dollars from these same customers help fund the program. That is fundamentally unfair. H.R. 250 makes needed adjustments to the current program to assure a more equitable outcome, assuring that every American — no matter who their wastewater service provider is — has equal access to safe, reliable and affordable wastewater services."

"The restricted eligibility of the taxpayer-funded Clean Water SRF program leaves out millions served by regulated water utilities," said NARUC Committee on Water Chair Jeff Hughes. "There may be a mistaken perception that utilities, and not their customers, benefit when they are permitted to access government-funded programs, but that's just not true — it is the customers, *not* the companies, who suffer when their utilities are excluded from this crucial funding opportunity."

Every four years, the American Society of Civil Engineers' releases a report on the health of the United States' infrastructure. The <u>2021 ASCE Infrastructure Report Card</u> gives the wastewater

sector a D+ grade and sets the "annual water infrastructure capital investment gap" at \$81 billion dollars. The wastewater sector needs additional federal, state, local and private investment for infrastructure improvements.

Americans served by publicly regulated utilities deserve modern wastewater treatment infrastructure and clean waterways. H.R. 250 will unlock more than \$153 billion in low-cost public financing available under the Clean Water Act's State Revolving Loan Funds. Congress has already determined that water utilities overseen by NARUC's member state commissions should have access to the Safe Drinking Water Act's State Revolving Loan Funds and this access should be, likewise, extended to the wastewater fund. Loans under both programs are paid back with interest to the government.

Upgrading our nation's wastewater treatment infrastructure to be more efficient and cleaner means less environmental impact and lower utility bills for American families in the long run. Moreover, the Clean Water SRF Parity Act only expands eligibility for dollars allocated to the program over and above current funding levels. This ensures that the expanded access to private regulated systems will not reduce investment levels in publicly owned systems. At the same time, the bill frees states to facilitate investment in infrastructure that will benefit taxpayers the most, just as they currently do with the federal drinking water revolving loan program.

The letter is available on NARUC's website here.

About NARUC

NARUC is a non-profit organization founded in 1889 whose members include the governmental agencies that are engaged in the regulation of utilities and carriers in the fifty states, the District of Columbia, Puerto Rico and the Virgin Islands. NARUC's member agencies regulate telecommunications, energy, and water utilities. NARUC represents the interests of state public utility commissions before the three branches of the federal government.

###