



**American Water Works
Association**

Dedicated to the World's Most Important Resource®

November 13, 2020

The Honorable Joe Biden
President-Elect
United States of America
1120 20th St. NW
Washington, DC 20036

Attn: Dr. Cecilia Martinez, CEQ Review Team
Patrice Simms, EPA Review Team

Dear President-Elect Biden,

The American Water Works Association (AWWA) congratulates you on winning the 2020 election. You will take office during a critical moment in U.S. history, and we are confident your commitment to research and science will serve you well.

AWWA's 50,000 members are water professionals who represent the full spectrum of water utilities—small and large, rural and urban, municipal and investor-owned. We are an international, non-profit, scientific and educational society dedicated to protecting public health. Our members provide safe drinking water through source water protection, treatment and distribution, and they safeguard the environment by cleaning wastewater and managing stormwater before returning it to our waterways. They also create the technology and equipment that keeps water flowing. The infrastructure our members maintain is the foundation on which our country's communities are built. That infrastructure -- and our members -- need your help.

To help you and your team hit the ground running, we have developed a set of recommendations that will provide investments and attention needed to help address challenges the country faces in drinking water issues.

Recovery from the Pandemic

AWWA's [research](#) found that revenue shortfalls at U.S. drinking water utilities may reduce economic activity by \$32.7 billion and cost 75,000 to 90,000 private-sector jobs. Drinking water utilities will see revenues from customer payments drop by nearly \$14 billion. This is the result of the elimination of water shutoffs for non-payment, increased late payments due to high unemployment, reductions in non-residential water demands, and the addition of fewer new customers due to economic stagnation.

We appreciate the interest by some in Congress to send more relief funding to state and local governments—they need help, but public utilities do too. Last spring's CARES Act did provide funding relief to state and local governments, the act also carried a provision prohibiting the use

of those funds to offset lost local utility revenues. Many utilities, particularly those serving small to medium-sized communities, are at risk resulting from diminished operating revenues. Not only do these lost revenues mean local communities are less able to renew, repair, and sustain aging infrastructure and treatment facilities, but some are feeling the effects in their ongoing operating finances, which may result in the loss of operators that are needed to ensure the utility is in regulatory compliance.

We know it is critical to continue to provide water service to our communities during a pandemic. Consequently, water utilities themselves, or state or local governments across the country have instituted moratoria on disconnecting water service for non-payment during the COVID-19 crisis. However, we urge that if there is to be a mandatory moratorium on disconnecting water service, that such a moratorium be limited to the duration of the current coronavirus public health emergency plus a reasonable amount of time after the formal declaration expires. Some past legislative proposals would have imposed a moratorium on shutoffs indefinitely, for any public health emergency. In addition, they imposed a moratorium if any part of a local government accepted relief funds, even if none went to the water utility. It would be harmful for water utilities to be subject to such mandates if they have not received any benefits.

Providing financial assistance to people who are struggling to pay their water utility bills is needed now more than ever. In many states, water utilities are actually prevented from providing this assistance. Giving utilities a path forward to assist customers who are on low or fixed incomes and struggling with unemployment at this time would help us keep the water flowing at a time when it is needed the most.

Request: As you work with Congress on the next COVID-19 relief package, we urge you to make sure it includes the following:

1. Funding to help low-income customers pay their water bills during the current pandemic emergency;
2. Funding to help those local water utilities that have suffered significant revenue losses due to the pandemic, so that they can continue to operate and provide safe water services; and
3. A definitive limitation to any mandated moratorium on disconnection of water service for non-payment, if such as moratorium is included in a legislative package.

Water Infrastructure

We were pleased to hear during your campaign about your desire to reinvest in America's infrastructure. As you know, sound water infrastructure is an essential and critical key to public health and environmental health. Sound water infrastructure is vital to public health, environmental protection, firefighting and economic growth. Investment in the nation's water infrastructure will be key to our economic recovery.

The Bureau of Economic Analysis (BEA) at the US Department of Commerce estimates that for every dollar spent on water infrastructure, \$2.63 is generated in the private economy. And for every job added in the water workforce, the BEA estimates that 3.68 jobs are added in the national economy.

The AWWA study [Buried No Longer](#) analyzed the history of investment in water infrastructure in the United States, the types of pipe material used and the lifespan of those materials. It took that data to forecast future pipe failure and the cost of replacement. [Buried No Longer](#) found that the U.S. will need to invest \$1 trillion over 25 years to maintain our current level of service and to serve a growing population. About 54 percent of those water infrastructure needs will be for replacement of aging pipes and 46 percent is needed to address population growth and

movement. Wastewater infrastructure needs have been historically about equal to those for drinking water.

Fortunately, there are existing programs that can be used to further investment in our water infrastructure. The leading tools are the Water Infrastructure Finance and Innovation Act (WIFIA) program, the state revolving loan fund (SRF) programs and municipal bonds.

Request: We urge you to take the following actions to reinvigorate the nation's water infrastructure:

1. In your 2021 budget, seek fully authorized funding for the WIFIA and SRF programs.
2. Work with Congress to strengthen the effectiveness of WIFIA in this manner:
 - a. Reauthorize WIFIA and increase authorized funding.
 - b. Authorize an increase in WIFIA staff to help get loans out the door more quickly.
3. In negotiating changes to the tax code, ensure that the tax-exempt status of municipal bonds is protected, and that the tax advantages of advanced refunding of these bonds is restored.

Workforce

A key part of the nation's economic recovery will be getting people back to work. Here is where the water sector can help. Local water utilities have experienced a significant retirements from the workforce in recent years, and can offer an amazing variety of jobs, from field operations to technical specialists to high-level administrative positions. These jobs can offer substantial benefits as these workers are municipal employees who provide public health and environmental health services to their communities.

Water sector jobs require certain levels of education, typically community college associate degrees to four-year degrees. State licensing may be required for a number of jobs at a utility as well. The different licensing requirements among states can pose challenges for the mobility of the workforce.

Requests:

1. Work with the U.S. Environmental Protection Agency and the Associations of Boards of Certification to ease the ability of workers to carry their licenses to work at a water utility to other states.
2. Provide robust funding for community college scholarships that prepare students to entire the water workforce.
3. Direct the Department of Veterans Affairs to develop liaisons with the water sector job market. The water sector has prioritized hiring more veterans.

Protecting our Sources of Drinking Water

We are grateful that Congress included in the Agriculture Improvement Act of 2018 (PL 115-334) significant improvements in conservation programs that can be used to protect sources of drinking water. It enhanced the ability of agricultural producers and local water providers to collaborate on projects that help protect our source waters.

Here are the key features:

- Protection of drinking water sources as an explicit goal of the conservation title of the 2018 Farm Bill
- An increase in incentives for agricultural producers to implement practices that benefit source water protection

- Authorization for community water systems to work with state technical committees for agricultural programs to identify local priority areas for source water protection.
- A dedication of at least 10 percent of funds in conservation programs going to projects that protect sources of drinking water, which could amount to \$4 billion over 10 years
- An increase in authorized funding for the Regional Conservation Partnership Program (RCP) to \$300 million a year, plus some streamlining of program administrative processes. The RCP authorizes partnerships among agricultural producers, USDA and non-agricultural entities, such as water utilities.

Request:

1. We urge that in your 2021 budget proposal, you provide fully authorized funding for the conservation title of the farm bill. While these important provisions are provided mandatory funding through the farm bill, it is important for Congress to maintain that funding. Providing fully authorized funding to programs in the conservation title will not only help address algal blooms, nutrient overloading and pesticide exposure in source waters, but also facilitate farmers and ranchers and community water systems working cooperatively on such projects.

Research

Research is key in addressing new contaminants. The lack of health effects data on substances such as PFAS compounds has long held back regulatory processes under the SDWA. Before a substance can be regulated, the SDWA requires that it “is known to occur or there is a substantial likelihood that the contaminant will occur in public water systems with a frequency and at levels of public health concern; and in the sole judgment of the Administrator, regulation of such contaminant presents a meaningful opportunity for health risk reduction for persons served by public water systems.” Research to support SDWA implementation is expensive and has been inadequately funded at EPA.

Request:

1. Work with Congress to see that future research is directed to further our understanding of the health effects, occurrences and treatment options for existing drinking water contaminants and emerging substances that may pose a risk to public health. Federal dollars can be greatly leveraged by funding research by extramural entities.
2. In the President’s budget request, increase funding for National Priorities Water Research and the Innovative Water Technologies grant programs to help better understand risks and treatment technologies for emerging contaminants; to recover resources, save energy and reduce greenhouse emissions from water treatment and other processes; and to enhance environmental protection across the water sector.

New Regulations

Federal drinking water standard setting is a scientific, risk-based and data-driven process that discerns what substances are to be regulated, and at what levels. This takes a significant amount of time, which can be at odds with perceived risk. This is where the research efforts mentioned above can accelerate and improve regulatory processes.

We caution against setting a precedent of by-passing these established processes via legislative action. The nation tested that approach with the 1986 Amendments to the SDWA with untoward results. Those amendments required that EPA to set 25 new regulations every three

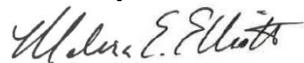
years. Bob Perciasepe, former assistant administrator for water, said in congressional before the House Subcommittee on Health and Environment in 1996. "The current requirement to

regulate 25 new contaminants every three years needs to be replaced with a scientifically defensible, risk-based approach. The current regulatory treadmill dilutes limited resources on lower-priority contaminants, and as a consequence, may hinder more rapid progress on high-priority contaminants."

That said, we are eager to follow the data on substances of concern wherever it may go in the investigative process so that we may know how to best protect public health. We will then prepare our members to comply with any new regulations.

AWWA offers the expertise and field experience of its diverse membership to help you and your team address these multiple water issues. We have a government affairs office in Washington, D.C., that you can contact for immediate assistance. Our Executive Director for Government Affairs is Tracy Mehan, who can be contacted at 703 850-9401 or tmehan@awwa.org.

Sincerely,



Melissa Elliott
President
American Water Works Association