



## H.R. 3684, the Infrastructure Investment and Jobs Act of 2021

### Highlights for the Drinking Water Community

With enactment of [H.R. 3684, the Infrastructure Investment and Jobs Act](#) in early November, the nation should soon feel a real kick-start in rehabilitating and updating the nation's water infrastructure. This act reauthorizes a number of existing drinking water programs, appropriates expanded funding for water infrastructure and other programs, and commits \$15 billion for lead service line replacement.

Now comes the challenge of implementing the programs in the bill. Staff at the U.S. Environmental Protection Agency (EPA) will have to develop guidance and policies for dispersing the funds, and since a lot of the funds are then to be distributed via each state's state revolving loan fund (SRF) program, those agencies will have to accept and process applications. In other words, money will not immediately be flowing from Washington. However, EPA water staff told AWWA staff this week that ever since the Senate passed this bill last summer, they have been preparing to administer programs within H.R. 3684

AWWA issued a [statement](#) thanking Congress and the President for their support of water infrastructure. Here are some highlights of the legislation:

#### Drinking Water Authorizations

(Note that authorization is an initial step; the actual release of funds requires appropriations legislation, which is also in this bill, listed after this section):

- \$75 million for technical assistance and grants for emergencies affecting public water systems, including natural hazards and cybersecurity
- \$14.65 billion for the drinking water state revolving fund (SRF) program for fiscal years 2022-2026
- \$510 million in assistance for small and disadvantaged communities
- \$500 million for reducing lead in drinking water by removing lead service lines and other relevant activities, with an emphasis on assisting disadvantaged communities
- \$250 million to improve operational sustainability of small water systems
- \$250 million for the mid-size and large drinking water system resilience and sustainability program

- A needs assessment for a nationwide low-income water bill assistance program
- 40 pilot projects to provide financial assistance to low-income water customers
- \$200 million for lead testing and remediation in schools
- \$5 million for water workforce efforts; applies to drinking water and wastewater
- \$50 million for a study assessing emerging technologies that could address cybersecurity and water monitoring issues and a grant program to deploy technologies

### Drinking Water Appropriations

- \$50 million annually for the Water Infrastructure Finance and Innovation Act programs for FY2022-2026
- \$11.713 billion for the drinking water SRF; 49 percent to be in the form of grants or loans with principal forgiveness; only 10 percent state match required in FY2022 and FY2023 (the wastewater SRF program got an equal amount)
- \$15 billion for lead service line replacement, with 49 percent to be in the form of grants or loans with principal forgiveness; no state match required; \$3 billion annually for FY2022-20226
- \$4 billion to be channeled through the drinking water SRF for emerging contaminants, all in the form of grants or principal forgiveness
- \$5 billion to deal with emerging contaminants in economically distressed communities
- \$1.126 billion annually in additional funding for the drinking water SRF through FY2026
- \$1.6 billion annually in additional funding for the wastewater SRF through FY2026

### Related Appropriations

- \$50 million for Underground Injection Control grants to support state efforts
- \$1.5 billion for Brownfields activities under the Comprehensive Environmental Response, Compensation and Liability Act

### Cybersecurity

- EPA and the U.S. Cybersecurity and Infrastructure Security Agency (CISA) are to identify public water systems, that if degraded or rendered inoperable, would lead to significant impacts on the public's health and safety
- EPA and CISA are to develop a technical cybersecurity plan support plan for public water systems
- The two agencies are to submit to Congress a list of public water systems needing technical support

### Buy America, Build America

- Extends "Buy American" requirements to include not only steel and iron products, but "manufactured products" and "construction materials" as well

- “Produced” in the U.S. means a product was manufactured in the U.S. and the cost of its components that are mined, produced or manufactured in the U.S. is greater than 55 percent of the total cost of the manufactured product.
- Waivers may be granted if the iron, steel or manufactured product are not produced in the U.S. in sufficient and reasonably available quantities or of “satisfactory” quality

## Wastewater Authorizations

- \$14.65 billion for the wastewater SRF program; FY 2022-2026
- \$1.4 billion for grants through FY 2026 to municipal entities to control and treat sewer overflows and stormwater and to provide public notification systems for such overflows
- \$250 million through FY 2026 for grants to private, non-profit organizations to provide assistance to low-to-moderate income individuals for the construction, repair or replacement of an individual household decentralized wastewater treatment system or for the installation of a larger decentralized wastewater system designed to provide treatment for two or more households
- \$200 million through FY 2026 for a grant program to help low-to-moderate-income individuals connect to a publicly owned treatment works
- \$125 million through FY 2026 to establish a clean water infrastructure resiliency and sustainability program to address natural hazard or cybersecurity vulnerabilities
- \$125 million through FY 2026 to continue a pilot program to help municipal, industrial or agricultural interests find alternative sources of water in areas experiencing critical water supply needs
- \$100 million through FY 2026 to establish a pilot wastewater efficiency grant program for owners or operators of publicly owned treatment works to carry out projects that create or improve waste-to-energy systems.
- \$75 million through FY 2026 for a competitive grant program to establish systems that improve the sharing of information concerning water quality, water infrastructure needs, and water technology, including cybersecurity technology, between states or among counties and other units of local government within a state
- \$50 million through FY 2026 for a circuit rider program to provide assistance to owners and operators of small and medium-sized publicly owned treatment works
- EPA must establish a Water Reuse Interagency Workgroup to develop and coordinate actions, tools, and resources to advance water reuse across the U.S., including through the implementation of the February 2020 National Water Reuse Action Plan
- EPA is to establish three to five Centers of Excellence for Stormwater Control Infrastructure Technologies
- Subject to the availability of funds, EPA would conduct a study of existing and potential future technology, including technology that could address cybersecurity vulnerabilities, that enhances or could enhance the treatment, monitoring,

affordability, efficiency, and safety of wastewater services provided by a treatment works

- \$25 million through FY 2026 for research on enhanced aquifer use and recharge in support of sole-source aquifers
- \$5 million for an assessment of capital improvement needs for watersheds

#### Wastewater Appropriations

- \$11.713 billion through FY 2026 for the Clean Water Act state revolving loan fund program
- \$1 billion through the Clean Water SRF program to address emerging contaminants

#### Other Authorizations

- \$118 million for the U.S. Department of Agriculture to conduct watershed rehabilitation
- \$300 million for USDA to repair damages to waterways and watersheds due to natural disasters

Questions can be directed to [Tommy Holmes](#) or [Nate Norris](#) in AWWA's Government Affairs Office.

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