



CWCC

Clean Water Construction Coalition
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ROBERT A. BRIANT, JR.
Chairman

October 4, 2017

- AGC of America
- AGC of Texas
- Alabama Utility Contractors Association
- Arizona Utility Contractors Association
- Associated Pennsylvania Constructors
- Associated Utility Contractors Of Maryland *
- Connecticut Construction Industries Association
- CIC of Westchester County & Hudson Valley *
- Engineering Contractors Association
- General Contractors Association Of New York
- Georgia Utility Contractors Association
- Indiana Constructors Inc.
- Long Island Contractors Association
- Maryland Transportation Builders & Materials Association
- Michigan Infrastructure & Transportation Association
- Minnesota Utility Contractors Association*
- National Rural Water Association
- New Mexico Utility Contractors Association
- Ohio Contractors Association
- Public Works Contractors Association of Maryland
- Tennessee Road Builders Association
- Underground Contractors Association of Illinois *
- United Contractors *
- UCA of Anne Arundel County
- Utility Contractors Association of New England *
- Utility & Transportation Contractors Association of New Jersey *
- Contractors Association Of West Virginia
- Wisconsin Underground Contractors Association

* Steering Committee Member

CWCC CONFERENCE CALL MINUTES AND OCTOBER UPDATE REPORT

On October 2, 2017, the Coalition held a call with Sante Esposito where he outlines the current state affairs for our federal water infrastructure funding. What follows is the combined notes from the call and monthly update.

On the phone were: Sante Esposito (Key Advocates), Bob Briant Jr. (UTCA New Jersey), Mike Wiedmaier (UCA of Illinois), Jane Jernigan (New Mexico UCA), Peter Ligon (AUC of Maryland), Jeff Mahoney (UCANE), Brian Dlugonski (UCANE), Marc Herbst (Long Island Contractors Association), Chris Boylen (GCA New York), and Zoe Baldwin (UTCA New Jersey).

Slow but Steady Progress in Administration Infrastructure Initiative

While details of the President's Infrastructure Initiative remain elusive, the recent extension of both the debt limit and funding of the Federal Government and the progress being made on tax reform, the deck is slowly but steadily being cleared for addressing the infrastructure issue.

On Sept. 26, Key Advocates held two meetings with key White House staff to discuss the initiative: Rick Dearborn, Deputy Chief of Staff for Legislative, Intergovernmental Affairs and Implementation, and DJ Gribbin, Special Assistant to the President for Infrastructure Policy. In summary, they said that the President refers to his infrastructure initiative as "infrastructure large" – meaning multifaceted, and that he has reiterated the five goals.

- 1) Reduce the permitting time for project approval from 10 to 2 years;
- 2) Provide incentive funding to public and private sectors based on their level of investment funding;
- 3) Provide increased funding to rural areas;
- 4) Encourage and fund "visionary" projects; and
- 5) Give priority to projects that demonstrate a return on the Federal investment (i.e. SRF programs).

The administration's goal is to have policy principles ready sometime next month, although they will not be sending them to the Hill until after tax reform "clears." They stated that they expect pushback from Congress on the principles and they are open to change but they were not planning to "fall back too far." They also confirmed that they would be looking to Congress to draft the actual infrastructure bill. In the meantime, they said they have been talking to both parties and are still committed to a \$1 trillion 10-year program.

According to Gribbin and Dearborn, the Administration's recent tax proposal includes a one-time repatriation of \$200B that can be leveraged to \$1 trillion. In addition to trying to get as much information as we could get from both, we made a strong pitch for the Clean Water and Safe Drinking Water SRF's, citing the President's campaign proposal, needs and benefits.

The Administration has continued to be outspoken on its support for a \$1 trillion infrastructure investment that includes tripling the existing funding for the Clean Water and Safe Drinking Water State Revolving Funds. That would take the former from approximately \$1.4 billion to \$4.2 billion and the latter from approximately \$1 billion to \$3 billion. While the needs would support much more than that, this would mark a long overdue step in the right direction - one that we have not seen for over a decade and one in which the Coalition has been, and continues to be, at the forefront. Particularly encouraging, is that these undertakings are being done on a bipartisan basis.

Senate Infrastructure Initiatives

On July 17, Senate Environment and Public Works Chairman John Barrasso (R-Wyo.) and the Committee's Ranking Democrat, Sen. Tom Carper (D-Del), put a call out to panel members for "infrastructure priorities, policy proposals and recommendations" for a committee-produced title of a comprehensive infrastructure bill. CWCC requested of the Senators that the following be included in their submission to the Committee:

- \$4.2B for the Clean Water SRF with at least \$100M increments for each fiscal year thereafter; and,
 - \$2.6B for the Safe Drinking Water SRF with at least \$100M increments for each fiscal year thereafter.
- The Committee is currently reviewing submissions and is expected to release its infrastructure plan soon, although that might be contingent on the release of the Administration's plan first.

House Infrastructure Initiatives

The good news in the lower house is that both parties have members jockeying for position on water issues, and that works in our favor. Most recently, on September 14, the House Democrats announced the creation of various task forces that are aimed to devise a jobs-focused legislative package. One of the task forces, "Rebuilding America," will focus on infrastructure issues. It will be led by Representatives Matt Cartwright (D-PA-17), Jimmy Gomez (D-CA-34), Donald Norcross (D-NJ-1), and Bonnie Watson Coleman (D-NY-12).

Below is a refresher on the other viable bills in the House, but there are two relevant points to made regarding congressional action: first, while none of these bills are expected to be enacted on their own, each is being positioned to have some influence in what is included in a final mega infrastructure bill; and, secondly, the Coalition has been a very active player in all of these efforts.

As we have previously reported, the House Committee on Energy and Commerce favorably reported H.R.3387, the "Drinking Water System Improvement Act," which reauthorizes the Safe Drinking SRF at \$8 billion over the next five fiscal years. This action is significant as the program has not been reauthorized since 2002 and because it has also triggered action in the House Transportation and Infrastructure Committee to address reauthorization of the Clean Water SRF that falls under its jurisdiction. Of note, this is a bipartisan effort that has the most likely chance of advancing.

As a reminder, the aforementioned is in addition to efforts such as Rep. McNerney's "WEST" Act (H.R. 3275) introduced in July, and H.R. 2510 the "Water Quality Protection and Job Creation Act of 2017," introduced by Reps. DeFazio, Duncan, and Napolitano in May.

Similarly, Congressman Earl Blumenauer (D-OR-3) introduced H.R. 1647, the "Water Infrastructure Trust Fund Act of 2017," with the Coalition cited as one of the supporting entities. The bill establishes a Water Infrastructure Investment Trust Fund and appropriates to it approximately \$7 billion from fees. Enactment of this legislation would be a critical first step in establishing a self-financed national clean water and safe drinking water trust fund.

FY18 Appropriations Status

This month Congress passed an FY18 Continuing Resolution funding the government at FY17 levels until December 8th. Pending that, the focus in the appropriations process has been on hurricane relief funding. Both of these actions have slowed up the normal appropriations process. However, in an attempt to expedite matters, on Sept. 14 the House of Representatives passed a package of funding bills (H.R. 3354) to provide all discretionary funding for the federal government for the 2018 fiscal year. The bill, also known as the Make America Secure and Prosperous Appropriations Act, was passed on a vote of 211-198. The package of bills contains the full legislation and funding for all of the 12 annual appropriations bills and totals \$1.2 trillion. No Senate action to date.

FY18 Interior Appropriations

There has been no movement since July 18th, when the House Appropriations Committee approved the FY18 Interior and Environment Appropriations bill on a vote of 30-21. The legislation includes funding for the Department of the Interior, the Environmental Protection Agency, the Forest Service, the Indian Health Service, and various independent and related agencies. In total, the bill provides \$31.4 billion, \$824 million below the FY17 enacted level and \$4.3 billion above the President's budget request. For the Clean Water SRF the bill provides \$1,143,887,000 (compared to \$1,393,887,000 for FY17) and for the Safe Drinking Water SRF, \$863,233,000 (the same amount appropriated for FY17). Also included is \$25M for WIFIA. No action to date in the Senate.

House Clean Water Caucus

The Caucus will host an event on Oct. 20 on recycled water: "Recycled Water 101" - a primer - what is recycled water; where does it come from; what is it used for; how much does it cost to produce; and, what are its benefits. Previously, the Caucus hosted a congressional field trip to the DC Water Blue Plains Wastewater Treatment Plant.

Current Members of the Clean Water Caucus:

- 1) Duncan, Jr, John (R-TN-2)
- 2) Lipinski, Daniel (D-IL-3)
- 3) Blumenauer, Earl (D-OR-3)
- 4) Nolan, Rick (D-MN-8)
- 5) Quigley, Mike (D-IL-5)
- 6) Pascrell, Jr, Bill (D-NJ-9)
- 7) Kildee, Dan (D-MI-5)
- 8) Cohen, Steve (D-TN-9)
- 9) Capuano, Michael (D-MA-7)
- 10) DeFazio, Peter (D-OR-4)
- 11) Davis, Rodney (R-IL-13)
- 12) Fitzpatrick, Brian (R-PA-8)
- 13) Holmes-Norton, Eleanor (DC Delegate)

KEY ADVOCATES OCTOBER REPORT

Included with this notice is Key advocates October 2017 report.

DATE

Honorable XXXX
Address
Address
Washington, DC

Congressman XXXX,

We write you today to voice our strong support for HR 3387, the “Drinking Water System Improvement Act,” and ask that you consider becoming a co-sponsor of this critical legislation.

It’s no secret that America’s water systems are in dire need of repair, and The Drinking Water System Improvement Act would facilitate much-needed upgrades to drinking water systems across the country. Sponsored by Mississippi Congressman Gregg Harper, HR 3387 would authorize up to \$8 billion for the Drinking Water State Revolving Fund over the next five years, in addition to approving up to \$750 million for the Public Water System Supervision grant program.

This bipartisan bill is timely, and over a decade in the making. The State Revolving Funds are the primary source of funding for the repair and replacement of our nation’s beleaguered water systems, yet they have not been fully authorized since 2001. Contamination from lead and other toxins causes serious harm to our most vulnerable populations, and this legislation will help give communities the tools they need to build healthier and more efficient water systems.

In late June, HR 3387 was unanimously approved by the House Committee on Energy and Commerce, and now heads to the floor for a full vote. We sincerely hope you will consider signing-on to this bipartisan effort to help ensure that every American has safe and healthy water to drink.

Sincerely,