This week the CWCC joined a broad coalition in Washington, DC as a sponsor of Water Week 2019. CWCC member associations in attendance were: Associated Utility Contractors of Maryland, New Mexico Utility Contractors Association, Underground Contractors Association of Illinois, Utility Contractors Association of New England, and the Utility & Transportation Contractors Association of NJ. We were joined by Sante and Brian Esposito from Key Advocates for a pre-event briefing on Tuesday April 2nd to prepare for the events.

At the briefing, the following policy priorities were discussed:

- Authorize and appropriate Clean Water SRF at $4B per year and Safe Drinking Water SRF at $2B per year while improving / enhancing the WIFIA program to complement and not replace or add competition to State SRF Programs; and

- Reauthorize the Water Infrastructure Improvements for the Nation (WIIN) Act with an increased program authorization;
Streamline permit approval process for all water infrastructure projects that repair / replace existing assets to no more than one year and eliminate regulatory duplication for SRF and WIFIA projects; and

Authorize the Alternative Water Source Program at $375M with up to 80% Federal share;

Establish a voluntary fee water labeling program (estimated to generate $7B per year equally divided between the CWSRF and SDWSRF); and,

Enact Private Activity Bond changes including removal of state volume cap, allow broader categories of eligibility, etc.

Time was dedicated to an open discussion of common member association issues. A highlight was a great discussion lead by leaders from the Underground Contractors Association of Illinois related to bringing in and training the next generations of leaders for their organization. Several members of their “Emerging Leaders Program” attended the DC events with Executive Director Wiedmaier and represented themselves and their organization in an impressive fashion. More information will be shared in the coming weeks on this needed and successful approach to the long-term viability of our organizations. Common legislative and policy challenges were also discussed. It was agreed that the CWCC should add a function to assist in awareness of positive or negative legislation that may expand past an individual state or region. More to follow on that effort in the coming weeks.
The events held on Wednesday, April 3rd included a briefing on US EPA priorities related to water and discussions related to infrastructure funding, water reuse/security, CSOs, and PFAS and other CWA/SDWA issues. The formal events of the day ended with a reception at the Library of Congress featuring Senator Tom Carper (D-DE), Ranking Member, US Senate Environment Public Works Committee.

The events held on Thursday, April 4th included a roundtable of congressional staff members, including last year’s fly-in speaker Joe Brown, Legislative Assistant for Senator John Boozman (R-AR). CWCC was able to insert an often-overlooked issue with national water advocates, streamlining reviews and decreasing the gap between appropriation of funds and construction. After this briefing, we joined others at a briefing on the Hill where we heard speakers, including Congressmen Bruce Westerman (R-AR), Ranking Member, Water Resources & Environment Subcommittee of the House Transportation & Infrastructure Committee.
Congressman Westerman and UCANE and UTCANJ Attend Hill Briefing

CWCC Members took advantage of what turned out to be a busy time in DC to meet with their home state delegation. We will be doing a full evaluation of how the shift to Water Week worked out but early feedback has been very positive.

“WATER QUALITY PROTECTION AND JOB CREATION ACT OF 2019” IS NOW HR 1491

As previously reported, Peter DeFazio (D-OR), Chair of the Subcommittee on Water Resources and Environment, Grace Napolitano (D-CA), Representative Don Young (R-AK), and Representative John Katko (R-NY) introduced the bipartisan Water Quality Protection and Job Creation Act of 2019 (HR 1491) to address America’s crumbling wastewater infrastructure and local water quality challenges. This bipartisan bill is said to be moving into the next steps of the process in May. If HR 1491 is signed into law it would more than double the Clean Water SRF (CWSRF), the top policy priority for the CWCC in 2019.

HR 1491 would authorize $20 billion in Federal grants over five years ($4 B / year would be more than double the current FY appropriation of $1.6 B) to capitalize State CWSRFs. These funds provide low-interest loans and additional loan subsidizations (e.g., principal forgiveness and...
negative interest loans) to communities for wastewater infrastructure. A complete review of the bill is included in the attached report from Key Advocates.

Key Advocates worked with the sponsors and was asked to sign on as an early supporter. See: https://transportation.house.gov/committee-activity/water-quality-protection-and-job-creation-act for a full list of supporters. If you click on the Coalition’s name in the list of supporters it takes you to our support letter. A copy of the CWCC letter of support is attached to this report for your convenience.

CONGRESSIONAL HEARINGS REPORT FOR MARCH 2019

On March 7, the Subcommittee on Water Resources and Environment of the House Transportation and Infrastructure Committee held a hearing entitled “The Clean Water State Revolving Fund: How Federal Infrastructure Investment Can Help Communities Modernize Water Infrastructure and Address Affordability Challenges.” Witnesses were Mayor David A. Condon, City of Spokane, Washington, on behalf of the United States Conference of Mayors; John Mokszycki, Water and Sewer Superintendent, Town of Greenport, New York, on behalf of the National Rural Water Association; Catherine Flowers, Rural Development Manager, The Equal Justice Initiative, Montgomery, Alabama; Maureen Taylor, State Chairperson, Michigan Welfare Rights Organization, Detroit, Michigan; Andrew Kricun, P.E., BCEE, Executive Director/Chief Engineer, Camden County Municipal Utilities Authority, Camden, New Jersey, on behalf of the National Association of Clean Water Agencies; and, Jill Heaps, Assistant Professor of Law, Vermont Law School, Burlington, Vermont.

On March 6, the Senate Committee on Environment and Public Works held a hearing entitled, “The Economic Benefits of Highway Infrastructure Investment and Accelerated Project Delivery.” Witnesses were Patrick McKenna, Vice President, American Association of State Highway and Transportation Officials; Steven Demetriou, Business Roundtable Infrastructure Committee; and, Michael Replogle, Deputy Commissioner for Policy, New York City Department of Transportation.

On March 13, the Subcommittee on Highways and Transit held a hearing titled, “Aligning Federal Surface Transportation Policy to Meet 21st Century Needs.” The hearing focused on whether and how Federal-aid highway and Federal transit policies need to change to ensure that our surface transportation network can meet current and future challenges. Witnesses were Ron Nirenberg, Mayor, City of San Antonio, on behalf of the National League of Cities; Roger Millar, Secretary, Washington State Department of Transportation, on behalf of the American Association of State Highway and Transportation Officials; Darran Anderson, Director of Strategy and Innovation, Texas Department of Transportation, on behalf of the Texas Innovation Alliance; Jack Clark,
Executive Director, Transportation Learning Center; Therese W. McMillan, Executive Director, Metropolitan Transportation Commission, on behalf of the Association of Metropolitan Planning Organizations; Al Stanley, Vice President, Stanley Construction Company, Inc., on behalf of the Associated General Contractors of America; and, Michael Terry, President and CEO, IndyGo - Indianapolis Public Transportation Corporation, on behalf of the American Public Transportation Association.

KEY ADVOCATES REPORT

Included with this notice is Key Advocates recent report which is current to the end of March 2019.
Infrastructure

House Transportation Chairman DeFazio is pushing forward a proposal to raise the gas tax as a short-term fix for the Highway Trust Fund. At a Ways and Means Committee hearing this month he laid out why he thinks that plan makes the most sense and could even be bipartisan. Some Senate Democrats are on board, too (although notable gas-tax-hike opponent Senator Schumer has yet to weigh in.). Rep. Graves, House Transportation Ranking Member, wants to focus on a vehicle miles traveled fee as a long-term solution. Others want to push more of the financial burden onto states. And some, like Senate Environment and Public Works Chairman Barrasso (R-Wyo.), aren't talking about revenue much at all, but would rather focus on permitting reforms. According to the House Democratic leadership, Floor time for an infrastructure bill has been reserved for May or "late spring." The bill number will be H.R. 2, reflecting the fact that infrastructure is one of ten priority pieces of House Speaker Pelosi.

According to T&I staff (March 12 meeting with Key Advocates), the Committee is focusing on the next few months as the key window for putting together an infrastructure package and bringing it to the House Floor. Majority Leader Hoyer wants appropriations to happen in the summer, so the Committee believes they need to complete infrastructure before then. They have targeted this month and April for legislative development, and May/June for the House Floor. They say that the biggest hurdles are identifying pay-fors and advancing a package through the Senate. Chairman DeFazio strongly seeks to have a paid-for package. Areas for pay-fors may include (but not limited to) the Harbor Maintenance Trust Fund; indexing the gas tax (technically outside T&I’s jurisdiction); airport infrastructure; and, Clean Water State Revolving Fund. The Committee has yet to determine whether they will advance one big bill or multiple bills to be later packaged together. The Committee started hearings this month and will continue next month focusing on key issues and markups. The Chairman is seeking bipartisan support on the infrastructure package but the majority believes they will gain clarity over the next few weeks on whether that is possible. Discussions remain very fluid regarding the scope and size (e.g., $1 trillion) of a potential infrastructure package. The Committee is interested not just in repairing infrastructure, but building new long-term infrastructure that is environmentally safe, expands capacity, and facilitates innovation (e.g., driverless cars). Key areas for investment mentioned include highways (shoring up the highway trust fund), transit rail investments including the NE corridor; airports (at least $120 billion in airport infrastructure needs identified); port infrastructure; water infrastructure and safety/contamination; emergency/extreme weather resilience protections in infrastructure; and, broadband infrastructure (including rural areas). The Committee believes there is a limited role for P3, in contrast to the Administration’s Infrastructure Blueprint.

According to Senate Environment and Public Works Committee staff (Feb. 13 meeting with Key Advocates), the Committee has asked all Senators to submit their “infrastructure asks” by May 1. Pending that, the plan is to let the House go first on a bill to see what, if anything, it does. Staff is considering “flexible” funding options, such as more authority for states and locals to decide project funding, as part of their process.
Hearings

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Napolitano H.R. 1162, the “Water Recycling Investment and Improvement Act”

To review, on Feb.13, the Congresswoman introduced the above bill (with 17 cosponsors, now 24 – all Dems) which the Coalition reported to her office its support. The Coalition supported her bill last Congress. Two changes were made from last year’s version: 1) the EPA grant program was dropped so the focus could be on Title XVI; and, 2) the cap on the Federal share for individual projects was kept but increased from $20M to $30M. Per the Congresswoman’s office, the following summary was provided:

- Increases the WIIN Act authorization for Title XVI from $50 million to $500 million
- Makes the WIIN Act Title XVI program permanent as it currently expires in 2021.
- Strikes the requirement that projects must be in drought or disaster areas
- Strikes the requirement that the projects need to be designated in an appropriations legislation
- Increase the limitation on the federal share of individual Title XVI projects from the current $20 million in October 1996 prices to $30 million in January 2019 prices. Does not change the 25% federal cost share.
DeFazio H.R.1497, the “Water Quality Protection and Job Creation Act of 2019.”

On March Chair DeFazio, Subcommittee Chair Napolitano, and Representatives Don Young and John Katko introduced the above bill which, again, the Coalition advised the Committee of its support. The bill:

- Authorizes $20 billion in Federal grants over five years for Clean Water SRFs.
- Authorizes $1.5 billion over five years for grants to implement state water pollution control programs.
- Provides $600 million over five years for Clean Water pilot programs (including Federal technical assistance and/or grants) for watershed-based or system-wide efforts to address wet weather discharges, to promote storm water best management practices, to undertake integrated water resource management, and to increase the resiliency of treatment works to natural or man-made disasters.
- Authorizes $375 million in grants over five years for alternative water source projects including projects that reuse wastewater and storm water to augment the existing sources of water.

Coalition Hill Contact Database

The Coalition is developing two 116th Congress organizational databases. The first is CWCC Hill contacts, which will identify a contact from each Coalition member agency, and then the member agency’s Representative(s), and that Representative’s contact information, Legislative Assistant for water issues, and email addresses. The second will identify the Democrat and Republican staffs for the Coalition’s key committees and those Members of Congress who may not be associated with a CWCC member.

FY20 President’s Budget

SRF’S –

The Budget includes $1.98 billion for the State Revolving Funds, $83 million to begin implementation of the new America’s Water Infrastructure Act of 2018 (AWIA) legislation, and $25 million for the Water Infrastructure Finance and Innovation Act (WIFIA) program.

WINN Grants-

Title XVI Water Reclamation and Reuse Projects, $3M, @ $55.6M below the FY19 enacted level. WaterSMART Grants, $10M, $24M below the FY19 enacted level.

DOT-

FHWA - $2B for INFRA grants - double the FAST Act authorized level, and $300M in competitive highway bridge grants (versus $225M in FY19 funding).

FTA - $1.5B (versus $2.55B in FY’19 funding) for the Capital Investment Grant (CIG) program (New Starts, Small Starts, Core Capacity) and $10.65B for the transit formula program, the same as FY19.

FRA - $936M for Amtrak - $325M for the NEC and $611M for the National Network (versus $650M for the NEC and $1.29B for the National Network in FY19 funding).

FAA - $3.3B (versus $3.85B in FY’19 funding) for the Airport Improvement Program (AIP) for airport capital construction programs.

Other - $1B for the BUILD grant program (formerly called the TIGER program) versus the $950M appropriated in FY19.
FY20 Congressional Budget Resolution

Congress has an April 15 deadline to pass a Congressional Budget Resolution. Given the slippage in the submission of the President’s Budget, this deadline may slip as well. A budget resolution is in the form of a concurrent resolution – passed by both House and Senate – but does not have the force of law. It does not go to the President for signature (in contrast to appropriation bills which must be signed into law). A budget resolution sets upper limits for spending under major functions, which serves as the basis for allocating funding levels to the appropriations subcommittees.

FY19 Federal Funding Generally

To review, the omnibus appropriations bill to fund the remaining Federal agencies was signed into law on Feb. 15.

FY19 “Water” Funding

- Clean Water SRF — $1.7 billion, which is equal to the 2018 enacted level and $300 million above the President’s budget request.
- Safe Drinking Water SRF — $1.2 billion, which is equal to the 2018 enacted level and $300 million above the President’s budget request.
- WIFIA — $68 million, $5 million above the 2018 enacted level and $48 million above the President’s budget request.

FY19 “Transportation” Funding

- TIGER—$900 million, a decrease of $600 million below the 2018 enacted level and $900 million above the President’s budget request. The funding will be allocated 50 percent to urban areas and 50 percent to rural areas.
- FAA—$17.5 billion, $549 million below the 2018 enacted level and $1.3 billion above the President’s budget request. Airport Improvement Program grants receive an additional $500 million to accelerate infrastructure investments at airports.
- FHWA—$49.3 billion, an increase of $1.8 billion above the 2018 enacted level and $3.5 billion above the President’s budget request. Highway Infrastructure Programs are funded at $3.3 billion for highway and bridge rehabilitation and construction as well as safety improvements at railroad grade crossings.
- FMCSA—$667 million, $178 million below the 2018 enacted level and $1 million above the President’s budget request.
- NHTSA—$966 million, an increase of $19 million above the 2018 enacted level and $52 million above the President’s budget request.
- FRA—$2.9 billion, $218 million below the 2018 enacted level and $1.9 billion above the President’s budget request. Amtrak is funded at $1.9 billion, equal to the 2018 enacted level, and $670 million is provided for rail infrastructure improvements. MagLev is funded at $10 million.
- FTA—$13.4 billion, a reduction of $67 million below the 2018 enacted level and $2.3 billion above the President’s budget request. Capital Investment Grants are funded at $2.6 billion to fund all signed Full Funding Grant Agreements and continue work on projects in the development pipeline. Transit Infrastructure Grants are funded at $700 million to improve and modernize transit infrastructure.

FY19 Energy and Water Appropriations Bill

This bill was already enacted and included an appropriation of the final $20M authorized funding for the WIIN Act recycled water grant program.
Bill Tracking

S.352 — 116th Congress (2019-2020)
A bill to amend the Internal Revenue Code of 1986 to increase the national limitation amount for qualified highway or surface freight transfer facility bonds.
Sponsor: Sen. Cornyn, John [R-TX] (Introduced 02/06/2019) Cosponsors: (1)
Committees: Senate - Finance
Latest Action: Senate - 02/06/2019 Read twice and referred to the Committee on Finance.

Build America Act of 2019
Committees: House - Transportation and Infrastructure, Ways and Means

S.146 — 116th Congress (2019-2020)
Move America Act of 2019
Sponsor: Sen. Hoeven, John [R-ND] (Introduced 01/16/2019) Cosponsors: (1)
Committees: Senate - Finance
Latest Action: Senate - 01/16/2019 Read twice and referred to the Committee on Finance.

National Infrastructure Development Bank Act of 2019
Committees: House - Energy and Commerce, Transportation and Infrastructure, Financial Services, Ways and Means
Latest Action: House - 01/17/2019 Referred to the Committee on Energy and Commerce, and in addition to the Committees on Transportation and Infrastructure, Financial Services, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such.

S.353 — 116th Congress (2019-2020)
A bill to amend title 23, United States Code, to improve the transportation infrastructure finance and innovation (TIFIA) program, and for other purposes.
Sponsor: Sen. Cornyn, John [R-TX] (Introduced 02/06/2019) Cosponsors: (1)
Committees: Senate - Environment and Public Works
Latest Action: Senate - 02/06/2019 Read twice and referred to the Committee on Environment and Public Works.

S.403 — 116th Congress (2019-2020)
A bill to encourage the research and use of innovative materials and associated techniques in the construction and preservation of the domestic transportation and water infrastructure system, and for other purposes.
Committees: Senate - Environment and Public Works
Latest Action: Senate - 02/07/2019 Read twice and referred to the Committee on Environment and Public Works.

Securing Energy Infrastructure Act
Committees: House - Science, Space, and Technology
Latest Action: House - 01/17/2019 Referred to the House Committee on Science, Space, and Technology
H.R.228 — 116th Congress (2019-2020) To authorize programs and activities to support transportation options in areas that are undergoing extensive repair or reconstruction of transportation infrastructure, and for other purposes.
Committees: House - Transportation and Infrastructure
Latest Action: House - 01/03/2019 Referred to the Committee on Transportation and Infrastructure.

S.611 — 116th Congress (2019-2020) A bill to provide adequate funding for water and sewer infrastructure, and for other purposes.
Sponsor: Sen. Sanders, Bernard [I-VT] (Introduced 02/28/2019) Cosponsors: (2)
Committees: Senate - Environment and Public Works
Latest Action: Senate - 02/28/2019 Read twice and referred to the Committee on Environment and Public Works.

Committees: House - Ways and Means, Transportation and Infrastructure
Latest Action: House - 02/07/2019 Referred to the Subcommittee on Highways and Transit.

H.R.1497 — 116th Congress (2019-2020) To amend the Federal Water Pollution Control Act to reauthorize certain water pollution control programs, and for other purposes.
Committees: House - Transportation and Infrastructure
Latest Action: House - 03/06/2019 Referred to the Subcommittee on Water Resources and Environment.