

# 2023 CLEAN WATER CONSTRUCTION COALTION PRIORITIES

**OVERALL GOAL** - To ensure that commitments for robust funding for programs of interest to the Coalition are met and expanded. More funding means more projects and more projects means more jobs.

## PRIORITY #1: Fully Fund Commitments (IIJA + Base FY Appropriation) and Increase Funding

- Fund Drinking Water, Wastewater, Stormwater, Water Reuse Programs to IIJA levels + Base FY Appropriation Levels for FY24:
  - Clean Water SRF Funding at minimum of \$4.58 Billion (\$2.95 Billon IIJA + \$1.63 Billion FY Base). In addition:
  - **Drinking Water SRF Funding at minimum of \$4.05 Billion** (\$2.95 Billion IIJA + \$1.10 Billion FY Base)
  - Water Infrastructure Finance and Innovation Act (WIFIA), including State WIFIA (SWIFIA) at a minimum of \$80 Million
- If Congress chooses to continue the use of Congressionally Directed Spending (earmarks) for water infrastructure projects, these funds must be additive to the overall EPA budget and NOT come out of the baseline SRF funding moving forward; and
- Inclusion of additional funding for the SRFs, Alternative Water Source Program and other water programs of interest in the final version if anything emerges from the "Build Back Better" framework; and
- Enactment of Title XVI WIIN grant funding and Federal share increase.

#### PRIORITY # 2: Accelerate the Work

• Enactment of legislation, policies, regulations, and specifications that accelerate the project pipeline and bring more water projects to construction in a timely manner. Advocate that EPA require State SRF's to streamline review and approval processes for the replacement or improvement of existing water infrastructure assets.

# PRIORITY #3: Price Escalation / Build America, Buy America Requirements

Recognize near-term challenges, such as inflation, disruptions to supply chains, and lack of domestic
capacity or supply when implementing new domestic preference procurement requirements for
construction materials and manufactured products. Protecting public health and the environment,
while maintaining affordable user rates, requires the flexibility to source the most cost-effective
materials and best available technologies.

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# **April 4, 2023**

## CWCC VIRTUAL FLY-IN / WATER WEEK DETAILS - APRIL 25th

Thank you for your response to our request to join our CWCC Virtual Fly-In and Business Meeting on TUESDAY, APRIL 25<sup>th</sup> 11:00 AM – 1:00 PM EST. We have finalized our "2023 Priorities" document and have included the PDF to this report. Any CWCC member that would like to get formal advocacy packets, please email Helene Nasdeo (helene@utcanj.org) with the number of packets you would like mailed to you by EOB Monday, April 17<sup>th</sup> and we will get them in the mail right away. We are putting finishing touches on our agenda and will forward it to all participants prior to the 25<sup>th</sup>.

CWCC has joined as an official partner for the <u>National Water Policy Fly</u> held during "Water Week." Full details are now available by <u>CLICKING HERE</u>. The two-day event will begin on Tuesday afternoon, April 25 where attendees will gather to network and hear from key senior EPA and other government officials. The agenda will continue Wednesday morning, April 26 where prominent Members of Congress will deliver remarks. Wednesday afternoon will be reserved for attendees to meet with legislators on Capitol Hill – which is once again fully open to the public. Finally, attendees will round out the week with friends and colleagues at the 2023 Water Week Reception.

Dan Kennedy is planning on attending and representing CWCC during key events. We have several complementary registrations and if you are going to be in DC for the events, please email Dan ASAP to secure these spaces. All events are now in-person. However, Dan will be providing CWCC members with a summary of the events and will collect / share useful information from the planned activities.

#### President's FY24 Budget

For the CWSRF \$1.638B and the SDWSRF \$1.126B, which would meet the CWCC Priorities for 2023. The President's Budget rejects earmarks as a takedown from the base SRF funding. For Title XVI, \$4M, the same as the FY23 Biden Budget but increased by the appropriators to \$60M, of which \$20M was for WIIN grants.

# **Key Advocates Report**

Included with this notice is Key Advocates recent report which is current to March 31, 2023.

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# April 2023 Insights

#### **Issues of Interest**

a. Clean Water and Safe Drinking Water SRF's and WIIN Grant Funding: FY24 and Beyond

Support continued increase funding for the CWSRF and SDWSRF and the WIIN grant program, building upon traditional funding of the past few years in the annual appropriations process coupled with funding provided in the Bipartisan Infrastructure Law. That Law appropriates \$3B for FY24 and \$3.25 B for FY's 25 and 26 for both SRF's. It also appropriates \$500M for Title XVI for FY22-26, most of which is expected to go for WIIN grants.

b. Clean Water and Safe Drinking Water SRF's Funding Versus Earmark Funding

Oppose what happened last year in the appropriations process regarding final funding of both SRF's and related earmarks. Going into final deliberations of the House and Senate Interior Appropriations Bills, funding for the CWSRF and SDWSRF was basically about the same in both bills - @\$1.7B and \$1.2B respectfully. Then came the decision to reduce spending overall. Instead of reducing earmark spending – owing to Member pressure – basic programs were cut including the SRF's which were reduced to accommodate related earmarks. Continuance of that approach for FY24 and beyond is a real problem and counter to the goal of the Bipartisan Infrastructure Law which was to increase SRF funding over and above increases in the traditional appropriations process and not in lieu of reductions by that process.

c. Alternative Water Source Program (AWSP): FY24 and Beyond

Support funding of \$125M for the AWSP which was authorized in the Bipartisan Infrastructure Law and funded at \$125M in the House-passed Build Back Better bill.

d. FY24 Earmarks

Support continuance in FY24 appropriations bills but as a separate funding category and not as a takedown from the basic SRF programs.

e. STREAM Act

Support the STREAM Act (see separate section below) to be introduced by Senator Feinstein probably in April.

#### WIIN Grant Reform Bill

Regarding the Napolitano WIIN grant reform bill (see separate section below), her staffer said that the major features of the bill - increased funding, federal share increase, and repeal of prior approval appropriations requirement - were all included in the Bipartisan Infrastructure Law, and that now they are focusing on smaller items, if any, that were not included. This is an issue that the Coalition needs to research further because the Coalition's view is that the Napolitano bill, which authorizes the WIIN grant program, is different than the Bipartisan Infrastructure Law which appropriated WIIN grant funding, and thus, is still needed to support funding beyond the life of the Bipartisan Infrastructure Law, to codify the Federal share increase which was done this year by the USBR administratively and not by law and thus, could be undone as well, etc. Also, if the Napolitano bill of last Congress is not needed because it was overtaken by the Bipartisan Infrastructure Law, then why is Feinstein pursuing the STREAM Act which addresses the same issues as the Napolitano bill bill???!!! More to learn and report on this.

## President's FY24 Budget

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# FY24 Appropriations Bills and Coalition Earmark Requests

Hearings on the FY24 appropriations bills are underway. No markups to date. A CR, once again, is expected. Regarding earmarks, Members' application forms are available. Many submission deadlines have already passed.

## Pending 2022 Coalition WIIN Grants Awards Status and 2023 WIIN Grant Timetable

Title XVI 2023 WIIN Grants – the USBR announced that \$150M plus what is provided in the FY23 appropriations bill (\$20M) would be available for 2023 WIIN grants. We're hearing closer to \$134M. As previously reported, for 2023 WIIN Act funding opportunities, the USBR is still developing the schedule but the plan is to first release the funding opportunity for the large-scale water recycling program in the spring with funding opportunities for WIIN grants and desalination construction to follow in the summer

#### **Bills of Interest**

#### (1) Non-Controversial Infrastructure Items

If there is an effort to pursue non-controversial infrastructure items like what Senators Sherrod Brown (D-OH) and Michael Bennet (D-CO) have indicated, advocate for programs of interest.

Included in the House-passed "Build Back Better" bill:

- \$30B for Safe Drinking Water SRF lead service line replacement projects;
- \$100M for state public water systems;
- \$700M to reduce lead in school drinking water;
- \$100M for large scale water recycling projects;
- \$1.15B for emergency drought relief;
- \$125M for Alternative Water Source Program grants;

- \$2B for sewer overflow and storm water reuse grants:
- \$4B for reduction of carbon in the surface transportation sector;
- \$4B for affordable and safe transportation access; and,
- \$6B for local surface transportation projects.

No funding for the Clean Water SRF is included in the House BBB. It does include new taxes.

Unofficially, the Senate Environment and Public Works Committee released its BBB title which includes \$9B for SDWSRF-funded lead remediation projects, \$225M for rural and low-income water assistance grants, \$125M for Alternative Water Source Program grants, and \$500M for sewer overflow and storm water reuse municipal grants.

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(2) H.R. 5118, the "Wildlife Response and Drought Resiliency Act" and S. 4231, the "STREAM Act" (Support to Rehydrate the Environment, Agriculture and Municipalities Act) NOTE: both Last Congress.

H.R. 5118 authorizes \$600M for WIIN grants. This is in addition to the \$550M appropriated in the Bipartisan Infrastructure Law for both traditional Title XVI and WIIN grants. The bill also increases the Federal share from \$20M to \$50M, provides priority project funding and authorizes \$700M (again, this is in addition to the \$450M appropriated in the Bipartisan Infrastructure Law) for large water recycling projects with total estimated cost of at least \$500M.

S. 4231 authorizes \$300M for FY24-28 for WIIN grants. These funds are over and above the BIF WIIN grant appropriated amount of \$550M. The Federal share is increased from \$20M to \$50M. Priority funding is given to projects that meet certain criteria.

# 118th Congress Composition

As of this date, in the House, Republicans have 222 members and the Democrats 213. In the Senate, there are 51 Democrats and 49 Republican.

## **Consolidated Appropriations Act, 2023**

To review, included in the FY23 omnibus appropriations bill is \$1.639B (state allotments and earmarks) for the Clean Water SRF, which is in addition to the \$2.750B provided in the Infrastructure Investment and Jobs Act aka the Bipartisan Infrastructure Law, \$1.126B (state allotments and earmarks) for the Safe Drinking Water SRF, which is in addition to the \$2.750B provided in the Infrastructure Investment and Jobs Act aka the Bipartisan Infrastructure Law, and "not less than \$20M" for WIIN grants.

#### **Bill Tracking**

Many bills are introduced. Most of them for political reasons. Most do not advance beyond introduction – committee hearing, markup, Floor action. Accordingly, we will only note bills of interest that are advancing through the legislative process and/or come to our attention.