



June 6, 2022

Thank You - 2022 CWCC PRIORITIES

Thank you for everyone who participated in our recent DC “Fly-In.” We ask that you continue to push our Coalition 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 FY23;
 - **Clean Water SRF Funding at minimum of \$4.38 B** (\$2.75 B IIJA + \$1.63 B FY Base)
 - **Drinking Water SRF Funding at minimum of \$3.82 B** (\$2.72 B IIA + \$1.10 B FY Base)
- Inclusion of additional funding for the Safe Drinking Water SRF and the Alternative Water Source Program in the final version of what emerges from the Build Back Better framework;
- Inclusion of additional funding for other water programs of interest in the final version of what 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.

PRIORITY #4: Offset Decreased Revenues

- Water utilities nationwide are experiencing decreased revenues from customers for various reasons. This matter must be addressed in infrastructure legislation. If this issue is not resolved, planned capital programs will undoubtedly suffer.

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Robert Briant, Jr. – Chairman

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 • NYSLECET • Ohio Contractors Association • Public Works Contractors Association of Maryland • Tennessee RoadBuilders 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



For Awareness – USDOL “Davis-Bacon” Rulemaking

Although the CWCC’s advocacy does not touch on labor issues, we would like to share with you that the U.S. Department of Labor (DOL) has [announced](#) proposed rulemaking to update and expand the prevailing wages and other regulations under the Davis-Bacon Act, which applies to federal and federally assisted construction projects. CWCC is not engaging in this matter but we have been asked by a member to share this information for awareness.

The Davis-Bacon Act was created in 1931 to require contractors and subcontractors performing on federally funded or assisted contracts for the construction, alteration, or repair (including painting and decorating) of public buildings or public works to pay employees wages and benefits locally “prevailing” for similar work on projects in the area.

Historically, the Davis-Bacon Act has applied only to onsite construction work. The DOL’s [proposed rule](#) includes changes to long-standing definitions that would significantly expand the coverage of the Davis-Bacon Act to reach work not previously covered or for which coverage was not always clear.

To illustrate, the DOL proposed a change in the definition of covered “building or work” by including solar panels, wind turbines, broadband installation, and installation of electric car chargers to the list of construction activities. The proposed rule changes clarify that “building or work” and “public building or public work” also include construction activity involving a portion of a building, structure, or improvement, or the installation of equipment or components into a building, structure, or improvement.

Another example is the proposed inclusion of new language on when demolition and similar activities meet the definition of covered “construction, prosecution, completion, or repair,” which would add, among other circumstances, where subsequent covered construction is planned at the site of demolition or removal. The proposed rule indicates that Davis-Bacon would likely not cover such activity if it were to make the land more desirable for sale to private parties for a purely private construction.

Some offsite manufacturing or fabrication of building materials also could be affected by the proposed revisions to the “site of the work” requirement. Under these proposals, the definition of “site of the work” would be changed to apply to off-site construction of “significant portions” of a building or work. Presently, these are usually excluded from coverage unless the work is performed at facilities established by the contractor specifically for the performance of a contract or project.

Further, for truck drivers, the proposed rule seeks to amend the definition of “construction, prosecution, completion, or repair” to include transportation that takes place entirely on the site of work, between a secondary construction site and primary construction site, and between a dedicated support site and a primary or secondary construction site, as well as onsite activities essential or incidental to offsite transportation, and under any other statute that extends coverage to laborers and mechanics employed in the construction or development of a project.

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PRESIDENT’S FY23 PROPOSED “WATER” BUDGET

On March 28, the President released his FY23 Budget. It includes \$1.638B for the Clean Water SRF, \$1.126B for the Safe Drinking Water SRF and \$4M for WIIN grants. Amounts are in addition to the SRF funding in the Bipartisan Infrastructure Law. The Budget provides roughly \$4B for water infrastructure, an increase of \$1B over the 2021 enacted level. These resources would advance efforts to upgrade drinking water and wastewater infrastructure nationwide, with a focus on underserved communities that have historically been overlooked. The budget funds all of the authorizations in the original Drinking Water and Wastewater Infrastructure Act of 2021, including the creation of 20 new targeted water grant programs and an increase of over \$160M above 2021 enacted levels for the Reducing Lead in Drinking Water grant program. The budget also maintains funding for EPA’s State Revolving Funds (SRF) at 2021 enacted levels, which would complement the \$23.4B provided for the traditional SRF programs in the Bipartisan Infrastructure Law.

KEY ADVOCATES REPORT

Included with this notice is Key Advocates recent report which is current to May 31, 2022.

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June 2022 Insights

“Build Back Better” Bills (BBB)

The Senate situation is still a work in progress. The House-passed mega bill is dead in the Senate. The focus is now on the Senate. The latest from Senator Manchin is that he’s waiting on the Senate Democratic leaders to fashion a proposal that reflects his demands. Those demands include less funding than the House bill, exclusion of child care or if included, at a much reduced funding amount, and tax reform. Discussions are on-going between the White House and Senate Democratic leaders regarding the Manchin situation. Included in the House-passed bill of interest to the Coalition are the following -

- \$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;
- \$6B for local surface transportation projects; and,
- \$2B for sewer overflow and storm water reuse grants.

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

Unofficially last December 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 grant

“Infrastructure Investment and Jobs Act” (BIF)

The \$1.2T law (P.L. 117-58) includes the following (it does not include any new taxes) –

- For FY22-26 \$12.838B for the Clean Water State SRF, starting at \$2.127B in FY22 and going up to \$2.828B in FY26;
- \$35.713B over five years for the Safe Drinking Water SRF, starting at \$6.702B in FY22 and going up to \$7.403B in FY26;
- No appropriations are included for the Alternative Water Source Projects program (an authorization of \$125M over 5 fiscal years is included);

- \$8.3B for the USBR for FY22-26 with an annual cap of \$1.66B per year including a number of programs under USBR’s jurisdiction with specific appropriated amounts but without specifying annual funding amounts for each program;
- For water recycling, the bill appropriates \$1B over 5 FY’s, broken down to \$550M for Title XVI and WIIN Act grants and \$450M for “large scale” projects (those with project costs >\$500M);
- \$400M over 5 FY’s for WaterSMART;
- \$1.2B for water storage and groundwater;
- \$25M for desalination; and,
- S. 914, as passed by the Senate, which authorizes \$14.65B over five fiscal years for the Clean Water SRF and the Safe Drinking Water SRF, and \$125M for the AWSP and which includes the Feinstein-Padilla amendment which limits the prohibition against applying for Alternative Water Source Program (AWSP) grants to USBR projects that received construction funds; and,

Other core infrastructure -

- \$65B for Broadband
- \$17B for Ports
- \$25B for Airports
- \$7.5B for Zero and Low-Emission Buses and Ferries
- \$7.5B for Plug-In Electric Vehicle Chargers
- \$65B to Rebuild the Electric Grid
- \$21B for Superfund and Brownfield sites

Highway Bill (FAST Act reauthorization)

The Senate FAST Act reauthorization bill is included in the enacted BIF. It authorizes \$287B in highway spending, ninety percent of which would be distributed to the states by formula. It also authorizes \$10.8B for various programs addressing resiliency and \$2.5B for electric, hydrogen, and natural gas vehicle charging and fueling stations. It provides billions for curbing emissions, reducing congestion and truck idling. It also streamlines infrastructure permitting and sets a two-year target for environmental reviews. Lastly, the bill authorizes \$12.5M per year to fund state and regional pilot testing of user-based alternative revenue mechanisms to the gas tax.

President’s FY23 Budget Proposed “Water” Budget/FY23 Congressional Budget Resolution

On March 28, the President released his FY23 Budget. It includes \$1.638.8B for the Clean Water SRF, \$1.126.1B for the Safe Drinking Water SRF, and \$4M for Title XVI. See last line below - amounts are in addition to the SRF funding in the Bipartisan Infrastructure Law. The Budget provides roughly \$4B for water infrastructure, an increase of \$1B over the 2021 enacted level. These resources would advance efforts to upgrade drinking water and wastewater infrastructure nationwide, with a focus on underserved communities that have historically been overlooked. The budget funds all of the authorizations in the original Drinking Water and Wastewater Infrastructure Act of 2021, including the creation of 20 new targeted water grant programs and an increase of over \$160M above 2021 enacted levels for the Reducing Lead in Drinking Water grant program. The budget also maintains funding for EPA’s State Revolving Funds (SRF) at 2021 enacted levels, which would complement the \$23.4B provided for the traditional SRF programs in the Bipartisan Infrastructure Law.

The next step in the budget/appropriations process is passage of the FY23 Congressional Budget Resolution which sets overall spending for FY23 for each Appropriations Subcommittee. The finding levels are set for each major area of the budget, called functions. Function 300, Natural Resources, is where all the water programs are included. The goal is to secure the highest funding levels for the Function to support subsequent appropriations. The budget resolution is not a law but it must be passed by both Houses.

President's FY23 Proposed "Transportation" Budget

The budget provides \$68.9B for the Federal-aid Highway program, a \$19.8 billion increase from the 2021 enacted level. This includes \$9.4 billion provided by the Bipartisan Infrastructure Law for 2023 and which also supports: \$8B for new competitive and formula grant programs to rebuild the Nation's bridges; \$1.4B to deploy a nationwide, publicly-accessible network of electric vehicle chargers and other alternative fueling infrastructure; \$1.3B for a new carbon reduction grant program; and \$1.7B for a new resiliency grant program to enhance the resilience of surface transportation infrastructure to hazards and climate change. The budget also provides more than \$2.5B for the Federal Motor Carrier Safety Administration and the National Highway Traffic Safety Administration, an \$857M increase above the 2021 enacted level. Lastly, to strengthen the Nation's transit systems, reduce emissions, and improve transportation access for people with disabilities and historically disadvantaged communities, the budget provides the Federal Transit Administration with \$21.1B, an \$8.2B increase over the 2021 enacted level.

FY22 "Water" Appropriations

On March 15, the President signed into law the FY22 Omnibus Appropriations Act funding all 12 appropriations bills for the remainder of the current fiscal year. Included in the bill are \$1.638B for the Clean Water SRF, \$1.126B for the Safe Drinking Water SRF, \$35.693M for the traditional Title XVI program, and \$17.5M for Title XVI WIIN grants. These funding amounts are over and above those included in the Bipartisan Infrastructure Law - \$2.127B for the Clean Water SRF, \$6.702B for the Safe Drinking Water SRF, and \$500M for Title XVI and the Title XVI WINN programs combined. As a result, for the current fiscal year total funding for the Clean Water SRF is \$3.765B, \$7.828 for the Safe Drinking Water SRF, and \$553.193M for both Title XVI programs.

FY22 "Transportation" Appropriations

The bill provides a total of \$102.9B for DOT – an increase of \$16.2B above the FY21 level. It includes \$775M for National Infrastructure Investments (RAISE/TIGER/BUILD) grants; \$57.5B for Federal Highway Administration formula programs funded from the Highway Trust Fund; \$2.4B for highway infrastructure programs and projects; \$856M for the Federal Motor Carrier Safety Administration and \$1.2 billion for the National Highway Traffic Safety Administration to make trucks, cars, and the Nation's roads safer; \$625M for the Consolidated Rail Infrastructure and Safety Improvements grant program; \$2.3B for Amtrak; \$16.3B for the Federal Transit Administration, including \$13.4 billion for transit formula grants; \$2.3B for Capital Investment Grants; and, \$504.3M for transit infrastructure grants and projects.

Job Opportunities

NOTE: will make available list of grantees for the programs below when announced so that Coalition members will know what projects in their state have received funding and could provide opportunities for jobs.

USBR Title XVI Recycled Water Grants – applications for \$245M for FY22 were due by March 15.

State and Tribal Assistance grants – nothing announced so far.

AWSP grants – pending action on the “Build Back Better” bills.

WRDA – reported on May 18 on a bipartisan basis by the House Transportation and Infrastructure Committee. Pure Corps of Engineers bill. Waiting on Senate action.

Bills of Interest

Note: the following bills have some policy issues which were not addressed in the bipartisan infrastructure law and the House-passed BBB. Issues of interest in some of the bills below (H.R. 1015, H.R. 3404, STREAM Act) include raising the Federal share project cap from \$20 to \$30 M (although for FY22 the USBR has done so), removing the congressional approval process requirement, and providing opportunities for unauthorized projects to compete for both traditional Title XVI and Title XVI WIIN grants. The goal is to get these changes enacted into law notwithstanding any administrative effort by the USBR to address the issues.

Note: we spoke twice with Morgan Leonard, LA, Congresswoman Napolitano, and asked her what the plans are for H.R.1015. She has contacted the Natural Resources Committee and was told that a decision on this has not been made although they may be considering an omnibus bill of sorts.

H.R. 1015, “Water Recycling Investment and Improvement Act” and STREAM Act (“Support to Rehydrate the Environment, Agriculture and Municipalities Act”)

H.R. 1015 not only authorizes \$500M for WIIN Act grants but also eliminates the requirement that Congress must approve funding awards for specific projects by designating them in an enacted appropriations bill and increases the Federal share from \$20M to \$30M.

The STREAM Act, while authorizing the WIIN grant program at \$250M, includes the same WIIN grant changes and establishes a new Reclamation Infrastructure Finance Program, expedites congressional approval for water shortage projects of \$750 million, and authorizes \$100 million for desalination projects.

H.R. 3404, “FUTURE Western Water Infrastructure and Drought Resiliency Act”

H.R 3404 also authorizes \$500M for the WIIN Act grant program, increases the Federal share to \$30M, and authorizes a new \$300M water trust fund with \$100M earmarked for recycled water projects.

H.R. 4099, the “Large Scale Water Recycling Project Investment Act”

The BIF appropriates \$450M for large water recycling projects with total estimated cost of at least \$500M with the Federal share at 25%.

Bill Tracking

Tracking bills that are marked up by committees and/or come to our attention.