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July 17, 2025

Chairman Tom Cole House Appropriations Committee United States House of Representatives Wahington, D.C. 20510 Ranking Member Rosa DeLauro House Appropriations Committee United States House of Representatives Washington, D.C. 20510

RE: Support Utility Infrastructure Programs in FY 2026 Appropriations

Dear Chairman Cole and Ranking Member DeLauro:

On behalf of the Associated General Contractors of America – the leading association in the construction industry representing more than 28,000 firms, including America's leading general contractors and specialty-contracting firms – I thank you for your leadership throughout the Fiscal Year 2026 (FY26) appropriations process.

Many AGC members are engaged in the construction of our nation's utility systems, such as our water and wastewater infrastructure and telecommunications systems, and rely heavily on federal programs that assist with building our nation's water infrastructure systems and expanding broadband internet services. As you work to finalize the House appropriations package for FY26, we urge the House Appropriations Committee to fully fund two federal programs that support utility infrastructure construction: the Environmental Protection Agency's (EPA's) State Revolving Fund program and the United States Department of Agriculture's (USDA's) ReConnect program.

Ensure Robust Funding for the EPA's State Revolving Fund Programs

The nationwide need for investment in water and wastewater infrastructure continues to far outpace the amount of funding that is available at all levels of government and the United States. A primary source of federal funding for drinking water and wastewater infrastructure is the highly successful, but chronically underfunded, Safe Drinking Water and Clean Water State Revolving Loan Fund (DWSRF and CWSRF) programs. These programs operate like a bank by providing low interest loans to eligible recipients for water infrastructure projects.

The water and wastewater projects that AGC members are building are often funded by the SRF programs. While AGC appreciates the commitment from Congress to these programs, EPA estimates, the 20-year national drinking water need for the United States is \$625 billion, which highlights that more work needs to be done.

Continue Support for the USDA's ReConnect Loan and Grant Program

AGC utility contractors throughout rural states are frequently hired to work on broadband expansion projects funded by the USDA's ReConnect Loan and Grant Program. As you are both aware, this program provides loans and grants that are used to cover costs of construction,

improvement of existing broadband facilities and acquisition of broadband facilities and equipment that is necessary to expand broadband services throughout rural regions.

We thank the House Subcommittee on Agriculture, Rural Development, Food and Drug Administration for their continued support of the ReConnect program during the FY26 markup and for proposing to more than double the amount of funds available for the ReConnect Program from \$44 million in FY25 to a proposed \$90 million for FY26. The increase will ensure that millions of Americans in rural and underserved areas can access high speed internet. We urge the full committee to approve this increase.

Congress must ensure that federal funding towards utility infrastructure projects continues. Supporting the Drinking Water and Clean Water State Revolving Fund programs and the USDA's ReConnect Program will allow communities across the nation to construct and rehabilitate their local infrastructure systems. AGC thanks the Appropriations Committee for their work throughout the FY26 appropriations process and we look forward to working with the committee toward the finalization of the appropriations.

Sincerely,

Alex Etchen

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Vice President, Government Relations