

June 19, 2012

The Honorable Mike Simpson
Chairman
Subcommittee on Interior, Environment, and Related Agencies
Committee on Appropriations
United States House of Representatives
Washington, DC 20515

The Honorable James P. Moran
Ranking Member
Subcommittee on Interior, Environment, and Related Agencies
Committee on Appropriations
United States House of Representatives
Washington, DC 20515

**RE: Fiscal Year 2013 Appropriations – EPA Clean Water State Revolving Fund and
Drinking Water State Revolving Fund**

Dear Chairman Simpson and Ranking Member Moran:

On behalf of the undersigned organizations, we are writing to request your support for increased funding for the Environmental Protection Agency's Clean Water State Revolving Fund (CWSRF) and the Drinking Water State Revolving Fund (DWSRF) in the FY 2013 Interior, Environment and Related Agencies appropriations bill.

Specifically, we urge you to appropriate at least \$1.47 billion for the CWSRF and \$919 million for the DWSRF which will return the programs to current funding levels.

As you know, the Administration has requested only \$1.18 billion in its FY'13 budget for the CWSRF, which represents a cut of nearly 20 percent from the current year. The continued downward trend in CWSRF funding threatens to jeopardize the federal government's critical role in assisting states and local governments to address federal water quality mandates.

Similarly, the Administration's FY '13 proposal for the DWSRF is \$850 million, a cut of \$69 million, or approximately 7 percent as compared to FY '12. The persistent reductions over time continue to chip away at the federal-state-local partnership that has ensured that all Americans have clean and safe water regardless of which community they live in or work.

The need for increased investment in our nation's 16,000 sewer and wastewater systems is tremendous and has been well documented. In January 2008, EPA reported that the capital investment need for publicly-owned water infrastructure projects is \$298.1 billion over a 20-year period to keep the nation's wastewater systems and sewer overflow projects in service. In its last estimate, the Congressional Budget Office (CBO) concluded in 2002 that the needs would be \$13 billion annually for wastewater systems over the next 20 years.

Likewise, the latest Drinking Water Infrastructure Needs Survey and Assessment documented the 20-year capital investment needs of public water systems that are eligible to receive loans from the DWSRF. The survey found that the total nationwide infrastructure need is \$334.8 billion. Sixty percent of that amount is for replacing and expanding water distribution and transmission networks while bringing clean and safe water to the 52,000 community water systems and 21,400 not-for-profit non-community water systems in America.

The nation's needs are large and growing because our systems are at a critical juncture in their life cycles. A combination of reduced federal spending over the past decade and increased federal mandates to meet treatment requirements is taking its toll. The collective aging of pipes and systems complicates the ability of communities to meet the objectives of the Clean Water Act and the Safe Drinking Water Act. Seventy-five percent of the nation's capital investment in wastewater and drinking water infrastructure is buried underground and generally becomes visible to the public only when a system fails or a catastrophic event occurs. The useful life of many of these pipes and systems is coming to an end. Additional deferral of the needed investments to repair and renew these systems will lead to greater increases in the future costs associated with protecting the nation's rivers, streams and lakes.

The nation has made significant progress in enhancing safe drinking water and water quality improvements over the last several decades. If we are to continue these positive developments and realize the goals set by Congress, it is essential that the appropriations subcommittee take action to restore funding to the CWSRF and DWSRF programs.

As organizations that are directly engaged in the development of America's infrastructure and play a vital role in the effort to improve the nation's water and wastewater infrastructure we thank you for your consideration of our request.

American Council of Engineering Companies
American Society of Civil Engineers
Associate General Contractors
National Association of Utility Contractors