



# New York Water Environment Association, Inc.

*The Water Quality Management Professionals*

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29 June 2020

The Honorable Kirsten Gillibrand  
SR-478  
Washington, D.C. 20515

Re: Proposed Amendment to HR 2, INVEST in America Act

Dear Senator Gillibrand,

On behalf of the NY Water Environment Association (NYWEA) and New England states, I write to **express our concern regarding a proposed amendment to HR 2, The INVEST in America Act. Specifically, amendment number 182 proposed by Representative Michael Waltz of Florida would change the formula used to determine Clean Water State Revolving Fund (CWSRF) allotment levels.** The New England Interstate Water Pollution Control Commission (NEIWPC) is concerned that the formula in the proposed amendment would significantly reduce future funding levels of the CWSRF programs in New York and New England.

NEIWPC is a regional commission that helps the states of the Northeast preserve and advance water quality. This organization engages and convenes water quality professionals and other interested parties from New England and New York to collaborate on water, wastewater, and environmental science challenges across shared regions, ecosystems, and areas of expertise.

The Clean Water State Revolving Fund (CWSRF) was authorized in 1987 and is among the most successful and cost effective environmental programs enacted by Congress. With CWSRF funding assistance provided to municipalities, states have achieved a remarkable record in delivering safe and clean water for the American public, and they have shown exceptional creativity in managing their programs to meet individual state priority needs. The revolving nature of the programs, combined with states' efforts to maximize the use of federal capitalization grants, assures program sustainability and an exponential return on federal investments.

Reviewing CWSRF funding levels and considering revised allotment formulas is not a new concept, and NYWEA and NEIWPC have followed this issue for a number of years. Following passage of The Water Resources Reform and Development Act (WRRDA) in 2014, the U.S. Environmental Protection Agency (EPA) was required to review the CWSRF allotment formula and recommend revisions to current state allocations. EPA reported to Congress on the matter in May 2016, and the report included multiple scenarios of future funding levels based on different allocation formulas. However, none of the revised scenarios were enacted into law following the 2016 report.

The Waltz amendment proposes a funding scheme that is exactly the same as one of the scenarios detailed in the 2016 report. If enacted into law, the CWSRF funding levels would be determined based on the following weighted factors: 50% the State needs identified in the most recently available clean watershed needs survey, 30% the State population results of the most recent decennial census, and 20% the most recently available water quality impairment component ratio. When NEIWPC looked at the impact of this formula on the Northeast states using the most

current data available in 2016, only the state of Vermont saw an increase in future funding, albeit a nominal increase of only 0.3%. **The rest of the Northeast states would be hit hard with a significant decrease in future funding levels: Connecticut would experience a decrease of 6.6%; and the states of Maine, Massachusetts, New Hampshire, New York, and Rhode Island would experience a decrease of 25%.** To emphasize how dramatic this would be across the region, consider the following: New England and New York would have seen a decrease of more than \$43 million dollars if a \$1 billion SRF appropriation had been allotted using the proposed formula in 2016. While these figures were calculated a few years ago, it is highly unlikely that the Northeast states would fare much better using current datasets. NEIWPC stands against using the formula in the Waltz amendment, as it would likely reallocate millions of dollars of CWSRF funding away from the programs in the Northeast states.


At its core, the CWSRF allotment issue is directly tied to the sizeable and well-documented gap between current funding allocations and national water infrastructure needs. The successful history of the CWSRF is paralleled by enormous and ever-growing water and wastewater infrastructure needs. **Here in the nation's oldest region, water distribution systems are approaching a century in use. Systems across the Northeast are in a state of disrepair, and the gravity of the problem is manifested by daily water main breaks and regular combined sewer overflows. Our communities cannot simply postpone the actions required to ensure clean water, an essential human need.** *Current appropriations for the CWSRF have failed to keep pace with the immense replacement and repair needs to "pipes, plants and pumps", so debating state funding allotments is really just a fight over pieces of a pie that is fundamentally insufficient.* Understanding the current funding environment, however, Northeast states can ill afford any further losses that may result from a reallocation of CWSRF funding. Traditionally changes of this nature are accompanied by a "hold harmless" provision applying any new allocation formula changes to future appropriations above the current level. The federal-state SRF partnership represents the most feasible and accessible source of funding for addressing these challenges.

To be clear, there are a number of items in The INVEST in America Act related to water and the environment that NEIWPC and NYWEA fully support, including but not limited to: reauthorization of the CWSRF and DWSRF, allowing advanced refunding for tax-exempt bonds, lifting the volume cap on Private Activity Bonds, restoring the Build America Bonds, increasing the EPA Sewer Overflow Control Grant Program to \$400 million per year, allowing state SRF programs to use 1% of funds for water workforce development, and creating a \$10 million per year water workforce development grant program. However, we stand against the Waltz amendment specifically.

On behalf of our members, NYWEA requests that you and other Congressional Delegates from the New York and the Northeast states oppose the CWSRF allotment as currently written in the Waltz amendment.

I appreciate your early attention and leadership on this important matter, and look forward to continued engagement with you on this and other issues related to water and the environment. Please do not hesitate to contact our Executive Director, Patricia Cerro-Reehil at [pcr@nywea.org](mailto:pcr@nywea.org) or 315-422-7811 x2 if you have any questions or wish to discuss this issue further.

Sincerely,



William J. Nylic, III  
President

CC: NY House Delegates from New York  
Susan Sullivan, NEIWPC

