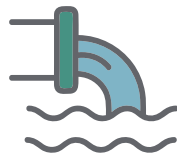




## Underground Infrastructure Investment

### WATER / WASTEWATER INFRASTRUCTURE REQUIREMENTS UNTIL 2040

**\$271 billion** will be needed to maintain and **replace wastewater and stormwater treatment systems.**



**\$473 billion** will be needed to **improve America's drinking water infrastructure.** (EPA estimates)

### UNDERFUNDED INFRASTRUCTURE



Federal spending accounted for just **4%** of all spending on **wastewater utility infrastructure** over the past several years.

### EXEMPT FACILITY BONDS (EFBS)

If the EFB state volume cap on infrastructure projects was lifted, **trillions of dollars** in private investment capital could be made available for municipal construction uses.



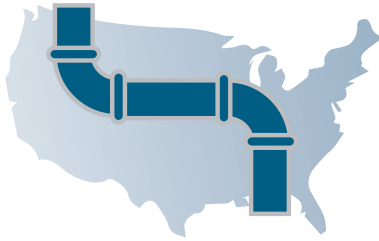
### Issue background:

America's underground water and wastewater infrastructure ensures that Americans have access to clean drinking water, provides businesses with the resources they need to keep our economy moving, and protects our nation's waterways, beaches, and a range of recreational opportunities.

1.6 million miles of underground pipe infrastructure exists today in the United States, with much of it due for replacement over the next 20 years. Investments in new water and wastewater infrastructure will bring environmental and public health benefits, including preventing harmful pollution from entering waterways, protecting against waterborne disease, removing lead from the water supply, and preserving access to natural resources enjoyed during recreational activities.

In addition to health benefits, an estimated 28,000 jobs can come with \$1 billion investment in water and wastewater infrastructure. These opportunities are spread across the economy with more than one-half of the jobs in industries other than water system construction.

## LEAD PIPES IN USE TODAY IN AMERICA



**6.1 million** lead service lines remain in use in U.S. cities and should be replaced. (AWWA.org)

### What is NUCA's position?

Well-functioning water infrastructure systems are indispensable to maintaining the health of our nation's citizens. As water and wastewater systems continue to age and the costs of compliance with environmental requirements mount, communities face increasing difficulties in paying for needed infrastructure improvements.

Given the magnitude of the national need, NUCA urges lawmakers to take advantage of the new Administration's emphasis on infrastructure recovery to significantly increase our nation's investment in water and wastewater infrastructure by reauthorizing the Drinking Water and Clean Water SRF programs at much higher levels.

In addition to traditional public funding, Congress should consider measures that would open the door for more private sector investment through innovative financing, such as lifting the cap on exempt facility bonds (EFBs [formerly known as private activity bonds, or PABs]) for water and wastewater infrastructure projects. In 2018, the total EFB volume cap for all states and D.C. was limited to about \$37.5 billion.

To give lawmakers a sense of private resources available, in 2019 the \$30 trillion taxable bond market and the \$4 trillion tax-exempt bond market was being used by private and public entities for capital investments. Removing the EFB state volume cap increases private investment and capital investment, and enables more public-private partnerships which decrease the risk placed on local governments.

With proper funding, Congress has the rare chance to put Americans back to work on critical infrastructure projects that not only create tens of thousands of jobs but also improve public health and safety, enhance environmental protections, and raise the quality of life for millions of citizens. NUCA looks forward to working with Congress over the coming months to further our nation's commitment to clean water and economic growth.

### What can Congress do to help?

There are several pending bills that can provide a portion of the resources needed. Please co-sponsor them or support them on passage.

- Drinking Water and Wastewater Infrastructure Act of 2021 (DWWIA 2021), (S. 914). This bill contains \$14.65 billion over five years in funding for the Clean Water State Revolving Fund (SRF) and the Drinking Water SRF. These are the levels found in the last Congress' SRF bills. Passed by Senate 89-2 on April 29, 2021. Awaiting House vote. **Supported by NUCA.**
- LIFT America Act (H.R. 1848). This bill contains \$51.6 billion in drinking water funding and lead pipe replacement. **Supported by NUCA.**
- The Water Quality Protection and Job Creation Act of 2021, (H.R. 1915). This House bill authorizes \$40 billion over five year in funding for the Clean Water SRF. **Supported by NUCA.**
- NUCA supports future legislation that will increase or remove EFB state volume caps. Sec. 90108 (EFB cap increases) in H.R. 2 of the 116th Congress was supported by NUCA.
- NUCA supports legislative language that provides resources for lead pipe replacement in drinking water systems.

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