National Per Capita Need = $868
Indiana Water, Wastewater & Storm Water Need

- Drinking Water: $6.64 B
- Combined Sewer Overflows: $3.64 B
- Wastewater Conveyance/Treatment: $3.62 B
- Septic Needs: $1.04 B
- Storm water: $786 M
- **Total Need: $15.72 B**

(Costs are shown in 2014 dollars and represent a twenty year period from 2015 – 2034
upcoming: Water & Wastewater Financial Needs Interim Report, Indiana Public Policy Institute: Indianapolis.)

<table>
<thead>
<tr>
<th>Program</th>
<th>FY 2016 Enacted</th>
<th>FY 2017 Request</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clean Water SRF</td>
<td>$1,393,887,000</td>
<td>$979,500,000</td>
<td>-$414,387,000</td>
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<tr>
<td>Drinking Water SRF</td>
<td>$863,233,000$</td>
<td>1,020,500,000</td>
<td>$157,267,000</td>
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<tr>
<td>WIFIA</td>
<td>$0</td>
<td>$20,000,000</td>
<td>$20,000,000</td>
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<td>Total</td>
<td>$2,257,110,000</td>
<td>$2,020,000,000</td>
<td>-$237,120,000</td>
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</tbody>
</table>

**Request:**

- Fund Clean Water SRF and Drink Water SRF at $2 billion EACH.
- Include $35 Million in FY 2017 for WIFIA Loans.
- Keep **tax-exempt** municipal bonds

April 15, 2016
Contact: Beth Bauer
bbbauer@acecindiana.org
317-637-3563
March 8, 2016

The Honorable Thad Cochran  
Chairman  
Senate Committee on Appropriations  
Washington, D.C. 20510

The Honorable Barbara Mikulski  
Vice Chairwoman  
Senate Committee on Appropriations  
Washington, D.C. 20510

The Honorable Lisa Murkowski  
Chairman  
Subcommittee on Interior, Environment and Related Agencies  
Senate Committee on Appropriations  
Washington, D.C. 20510

The Honorable Tom Udall  
Ranking Member  
Subcommittee on Interior, Environment and Related Agencies  
Senate Committee on Appropriations  
Washington, D.C. 20510

Dear Chairman Cochran, Vice Chairwoman Mikulski, Chairman Murkowski, and Ranking Member Udall:

As the Appropriations Committee begins to develop legislation to fund EPA in the 2017 fiscal year, the water sector has come together in support of strong funding for programs that help provide clean and safe water infrastructure while making local utility investments more manageable for ratepayers.

As you know, the ongoing water crisis in Flint, Michigan has focused national attention on the needs of our water infrastructure. This has prompted welcome proposals by some members of Congress to dramatically boost water infrastructure spending next year. One such proposal would provide $2 billion each to the Clean Water and Drinking Water State Revolving Funds (SRFs), well-established programs that deliver funding to all states to help communities improve their water and wastewater infrastructure to protect public health. Our organizations support these efforts to dramatically increase SRF funding in the 2017 fiscal year while bringing parity to Clean Water and Drinking Water SRF funding levels.

We also recognize that the budgetary situation faced by Congress may prevent total SRF appropriations from reaching these levels in FY17. If that is the case, at minimum we urge Congress to reject any cuts to the Clean Water SRF in 2017, and to bring the Drinking Water SRF to an equal level of funding.
While attaining strong SRF funding levels is essential, we also urge Congress to deliver robust funding to other important water infrastructure programs, such as:

- $35 million for the Water Infrastructure Finance and Innovation Act (WIFIA) pilot program, its fully authorized level in FY17. As EPA plans to begin issuing WIFIA loans in FY17, fully funding the program will help communities to begin accessing these new infrastructure loans as quickly as possible.
- $23.365 million for Title XVI, which is the amount enacted in FY16, and support for other drought response and water reuse projects at the Bureau of Reclamation.
- $6.5 million to continue EPA’s Integrated Municipal Stormwater and Wastewater Planning Approach (Integrated Planning), which helps communities address their EPA regulations cost-effectively and strategically.

Providing these funding levels will help our nation’s water and wastewater systems begin to address the billions of dollars of investment needs they face in the coming decades. EPA has reported that our wastewater systems face $271 billion in documented needs over the next twenty years—investments in publicly owned wastewater conveyance and treatment facilities, combined sewer overflow correction, and stormwater management. Drinking water systems require $384 billion in documented infrastructure rehabilitation and improvements over the same timeframe according to EPA, and over $1 Trillion according to the American Water Works Association.

With the crisis in Flint renewing national attention on water infrastructure, now is the time to take a stand by appropriating strong funding to the programs that help our communities ensure the ongoing delivery and treatment of clean and safe water.

Thank you for your thoughtful consideration, and please do not hesitate to contact our organizations for additional information.

Sincerely,

Adam Krantz
Chief Executive Officer
National Association of Clean Water Agencies

Eileen O’Neill
Executive Director
Water Environment Federation

Melissa Meeker
Executive Director
Water Environment Research Foundation & WateReuse

Matthew D. Chase
Executive Director
National Association of Counties

Diane Van De Hei
Chief Executive Officer
Association of Metropolitan Water Agencies

Clarence E. Anthony
CEO and Executive Director
National League of Cities

Larry Frevert
Interim Executive Director
American Public Works Association

Michael Deane
Executive Director
National Association of Water Companies

Tom Cochran
CEO and Executive Director
The U.S. Conference of Mayors
LET'S INVEST IN AMERICA'S WATER FUTURE

WATER INFRASTRUCTURE IS KEY TO PUBLIC HEALTH AND ENVIRONMENTAL GAINS

Water and wastewater treatment is responsible for some of the greatest gains in public health over the past century and cited as among the top ten health advances that have changed the world. In fact, medical researchers conclude that advances in clean water at the turn of the 20th century are responsible for a 74% reduction in infant mortality rates. Today, the U.S. has largely eradicated typhoid fever and cholera because of investment in safe and clean water infrastructure. In addition to these public health gains, investments in water infrastructure during the forty years since enactment of the Clean Water Act in 1972 have led to a nearly 50% increase in the number of rivers and streams deemed fishable and swimmable.

ARE THESE GAINS AT RISK?

The recent drinking water crisis in Flint, Michigan in which thousands of children suffered lead poisoning from corroding water pipes and the current drought in the West that has stressed water supplies are raising questions among our nation’s leaders as to whether we are taking these public health and environmental gains for granted. The American Society of Civil Engineers’ 2013 Infrastructure Report Card gives a “D” grade to our clean water infrastructure, and the U.S. Environmental Protection Agency reports that over $600 billion in additional investment is needed to repair and replace water and wastewater treatment systems.

Most of this needed investment will come from ratepayers who already see water and sewer rates rise at nearly twice the rate of inflation each year. For low-income ratepayers whose wages have stagnated for several decades, affording the water infrastructure investment that is needed is quickly becoming a financial impossibility, with some viewing the affordability of water and sewer bills a significant civil rights issue.

IT'S TIME TO RENEW THE LOCAL-STATE-FEDERAL CLEAN WATER PARTNERSHIP

In a recent survey of America’s opinions on the value of investing in our water resources, 64% of respondents agreed with the statement that “we are dependent on a strong and reliable water infrastructure” and 95% of respondents agreed that our water infrastructure is in need of modernization. According to economic and social data, every $1 dollar invested in clean and safe water infrastructure creates 3.68 jobs, increases long-term GDP by $6.35 and provides $23.00 in public health-related benefits! We urge Congress to refocus the nation’s policy discussion on what’s at stake for our water systems and provide significantly more investment to ensure all Americans have access to safe and clean water.

WE CALL ON CONGRESS TO SUPPORT:

- $2 billion for the Clean Water State Revolving Fund
- $35 million for the Water Infrastructure Finance and Innovation Act
- $24 million for the Bureau of Reclamation’s water reuse and recycling program
- $6.5 million for Integrated Water Resources Planning
- Full tax-exemption status for investments in municipal bonds
- Funding for research and development in water technology and innovation
- Enactment of legislation to ensure low-income ratepayers have access to safe and clean water
- Modernization of the Clean Water Act to address today’s clean water challenges

IT'S TIME TO RENEW AMERICA'S COMMITMENT TO SAFE AND CLEAN WATER!
LET'S WORK TOGETHER FOR WATER!

Before Congress enacted the 1972 Clean Water Act, most of the wastewater in America released into our waterways lacked proper treatment.

At the turn of the 20th century, advances in water and wastewater treatment accounted for nearly a 50% reduction in mortality rates in America's largest cities.

85% of U.S. residents get their water from public water facilities.

The World Economic Forum has downgraded America's infrastructure ranking to 16th in the world, from 6th just a few years ago.

The New York Times describes U.S. failing water infrastructure as a "ticking time bomb that's ready to go off."

After implementation of the 1972 Clean Water Act and associated wastewater system improvements and investments, the number of fishable and swimmable waterways nearly doubled.

$1 invested in water and wastewater infrastructure increases long term GDP by $6.35.

1 job created in water and wastewater leads to 3.68 jobs in the national economy.

Sanitation is more important than independence - Gandhi
Indiana’s “water” infrastructure faces significant funding shortfall, estimated at $15 billion over a period of 2015-2034. A modest user fee on bottled water sales of 10 cents/bottle generates $100-$150 million per year based on average consumption.

Protecting Our Water

It's a Drop in the Bucket

Indiana Finance Authority is already set up to collect, manage and allocate more funding to infrastructure projects across Indiana.

Significant need for more funding for water, wastewater & stormwater infrastructure for Indiana Communities & Utilities

Potential new revenue source of $100-$150 million annually by creating a modest fee on bottled water sales will help close the funding gap.

State and Federal Agencies & Communities can do more with additional funding.

ACEC
An ACEC 2016 Initiative
www.acecindiana.org