

THE DRINKING WATER AND WASTEWATER INFRASTRUCTURE ACT

U.S. SENATE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Water Infrastructure Bill Prioritizes Equity and Environmental Justice

Across the country, communities face severe disparities in water-related infrastructure investments. As a result, low-income Americans and households of color are significantly more likely to experience water contamination. *The Drinking Water and Wastewater Infrastructure Act of 2021* (DWWIA 2021, S. 914) prioritizes underserved communities to help ensure the benefits of water infrastructure improvements are felt equitably across the country.

This bill invests more than \$35 billion in water resource development projects across the country, directly targeting the communities with the most need. More than 40 percent of the authorized funds are designed to directly benefit small, disadvantaged, rural, and tribal communities. This includes:

- **\$510 million for the Assistance for Small and Disadvantaged Communities Grant Program, which improves access to clean, safe drinking water.**
- **\$14.65 billion over five years to each of the State Revolving Funds with an increased set-aside that must be used for grants or debt forgiveness. This funding will help provide financing for a variety of community and state-wide water infrastructure projects.**
- **\$780 million for connecting low-income households to public water and wastewater services, decentralized wastewater systems, and improving sanitation in Alaskan rural and Native Villages.**
- **\$250 million for drinking water infrastructure improvement projects on Indian Reservations.**
- **\$125 million for water infrastructure and climate resiliency programs in underserved communities.**
- **Up to \$350 million for sewer overflow and stormwater reuse programs in rural and financially distressed communities.**
- **\$500 million for the removal and replacement of lead pipes, as well as \$200 million for lead testing in schools and child care centers and \$175 million for public health emergencies, including the intrusion of lead in drinking water.**

Specifically, the bipartisan *Drinking Water and Wastewater Infrastructure Act of 2021* will:

Improve Access to Safe Drinking Water

DWWIA 2021 promotes access to clean drinking water and improves water quality monitoring in communities across the country. The bill increases funding for the existing Assistance for Small and Disadvantaged Communities grant program and expands grant eligibility to the purchase of filters and filtration systems to address lead. It also creates an additional competitive grant program for states based on the prevalence of underserved communities within their borders. Combined, these initiatives authorize \$760 million for small, rural, and disadvantaged communities over the next four years.

The bill also makes several updates to existing programs and establishes new funding for programs to reduce lead in drinking water, authorized at \$690 million. This bill increases the Lead Reduction Grant program to \$100 million annually, increasing the Voluntary Lead Testing in Schools program to \$50 million annually by 2026 and creates a new grant program for lead line replacement based on inventorying, authorized at \$10 million. This bill also reauthorizes a fund for a public water system facing a public health emergency, including an intrusion of lead into the drinking water supply.

Invest in Drinking Water and Wastewater Infrastructure

DWWIA 2021 reauthorizes the Clean Water State Revolving Loan Fund (CWSRF) at increased levels for the first time since 1987, growing the program to \$3.25 billion annually over five years for a total investment of \$14.65 billion. It also codifies an existing requirement that states use 10 percent of their CWSRF for the forgiveness of principal, grants, negative-interest loans, other loan forgiveness, and through buying, refinancing, or restructuring debt to provide additional assistance to small and disadvantaged communities. States may use up to 30 percent of their total allocation to provide these additional subsidies.

The Drinking Water State Revolving Loan Fund (DWSRF), which expires at the end of 2021, is also reauthorized, and for the first time receives equal funding to the CWSRF. This \$14.65 billion investment over five years will provide critical funding to states to upgrade aging infrastructure, including lead pipes, and address water quality to provide clean, safe water to more Americans. DWWIA 2021 also increases the minimum set aside states must use to provide additional subsidies to small and disadvantaged communities from 6 percent to 12 percent. Subsidies can be provided in the form of forgiveness of principal, grants, negative interest loans, other loan forgiveness, and through buying, refinancing, or restructuring debt, and states may use up to 35 percent of their total allocation on these subsidies.

This bill also includes a needs assessment on the prevalence of low-income households that spend a disproportionate amount of income on public drinking water services. Based on that assessment, it creates a pilot grant program to assist qualifying households with maintaining access to affordable drinking water and wastewater treatment. This bill also has a required analysis by the Environmental Protection Agency (EPA) on the historical distribution of funds to low-income, rural, minority communities and indigenous peoples requires EPA to identify opportunities to improve the distribution of these funds.

Connect Low Income Households to Drinking Water and Wastewater Services

Many low-income communities and communities of color across the U.S. lack access to clean drinking water and basic sewage systems. DWWIA 2021 authorizes \$550 million annually in new grant programs for nonprofit organizations and public treatment works to help low-income households connect to existing drinking water or wastewater infrastructure or install or upgrade decentralized wastewater systems. It also includes a \$230 million reauthorization for grants to Alaska for the development and construction of public water systems and wastewater systems for rural and Alaskan Native Villages, which will improve the health and sanitation conditions of individuals living in those communities.

Help Communities Build Resiliency to Extreme Weather Events

DWWIA 2021 provides a combined \$500 million for water infrastructure resiliency and sustainability grant programs, which award grants to communities to increase the resiliency or adaptability of water systems to natural hazards, including extreme weather events due to climate change. The Drinking Water Infrastructure Resilience and Sustainability program for small and disadvantaged communities is reauthorized at \$25 million annually, representing a 525% increase from the previous authorization. DWWIA 2021 also creates a new Clean Water Infrastructure Resiliency and Sustainability Program, which for the first time will provide grants to communities looking to fortify their wastewater systems from the impacts of climate change.

Invest in the Water Infrastructure Needs of Tribal Communities

DWWIA 2021 increases the authorization for the Tribal Drinking Water Program to \$50 million annually, for a total of \$250 million over five years. It also amends the program to require EPA to provide 50 percent to tribes nationally, while the other 50 percent of the funds must be used to fund 50 projects equally divided between the Missouri River Basin, Upper Rio Grande River Basin, the Columbia River Basin, the Lower Colorado River Basin and the Arkansas-White-Red River Basin. It also amends the Lead Contamination in School Drinking Water grant program to make tribal consortia eligible grant recipients to assist tribal education agencies in testing for lead contamination.

To improve and address the wastewater infrastructure needs of tribal communities, DWWIA 2021 allows states to reserve up to 2 percent of their CWSRF to provide technical assistance to small, rural, and tribal publically owned treatment works. It also authorizes \$230 million for grants to Alaska for the development and construction of public water systems and wastewater systems for rural and Alaskan Native Villages. The bill also amends the Water Infrastructure and Workforce Investment grant program to require federal, state, and local governments to coordinate with tribal governments in the creation of water infrastructure workforce development programs.