

# Investing in the Nation's Water Infrastructure

#### **ISSUE**

A key priority for ACEC's infrastructure agenda in 2018 is the passage of the Water Resources Development Act (WRDA). In addition to authorizing new Corps of Engineers projects to address flood control, navigation, water supply, ACEC urges Congress to include funding and financing mechanisms in WRDA to assist cities and local communities to address water and wastewater challenges that threaten human health and the environment, with particular emphasis on the expansion of EPA's State Revolving Fund (SRF) programs and the Water Infrastructure Finance and Innovation Act (WIFIA).

#### **BACKGROUND**

The extent of the nation's major water infrastructure needs is daunting. There is a backlog of over 1,000 water resources projects managed by the Corps of Engineers totaling \$96 billion, against a construction budget of less than \$2 billion a year. Addressing this funding deficit is critical to the nation's economic security. \$1.4 trillion worth of goods move through our ports each year, and 600 million tons of cargo valued at \$230 billion moves on the nation's inland waterways. According to a 2016 FEMA report, \$1 invested in flood protection yield \$8 in savings; annual flood damage prevented through Corps of Engineers projects is estimated to exceed \$67 billion.

For traditional water and wastewater projects, over \$600 billion is needed over the next 20 years to meet standards under the Clean Water and Safe Drinking Water Acts. In addition to protecting public health, investing in water infrastructure grows the economy: Every \$1 invested in water increases long-term GDP by \$6.35.

Congress should address this challenge through increased investments in the core federal programs that support water and wastewater infrastructure, including the SRF programs and USDA's rural water program. Congress should also pass legislation to reauthorize and expand WIFIA, which provides federal loans and loan guarantees to leverage additional investments in water, specifically:

- HR 4492/S 2329 to reauthorize WIFIA, boost authorized funding and streamline the program to enable the Corp of Engineers to use this financing mechanism; and,
- HR 4902/S 2364, to create a new WIFIA mechanism for the states to be administered through their SRF programs; \$1 billion invested over 5 years would generate \$50 billion for water projects.

Finally, Congress should oppose so-called "open competition" legislation (such as HR 5310) that impose new federal mandates on state/local governments and regulate engineering judgement. Decisions on pipes for water projects, for example, should be made by licensed engineers in consultation with water system clients, taking into consideration local conditions and system needs, and not imposed by Washington.

#### **KEY POINTS**

- Make passage of WRDA a priority for 2018 to authorize needed Corps water resources projects.
- Help communities invest in critical water/wastewater projects through increased funding for the SRF programs and passage of legislation (HR 4492/S 2329 and HR 4902/S 2329) to reauthorize and improve the WIFIA program.
- Oppose new materials mandates to ensure that engineers have maximum flexibility to work with water utility clients to design solutions best suited to meet system needs.

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