

## Protect Funding for Wastewater and Drinking Water Infrastructure

Dear Member of Congress:

The 28 civil society organizations listed below urge you to protect the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF) from Community Project Funding/Congressionally Directed Spending, commonly referred to as earmarks, in the FY2024 appropriations process. We do not take a position on earmarks in general, but rather Congress' recent usage in relation to funding our nation's water infrastructure.

The country faces a dire clean water and drinking water crisis, which particularly impacts low-income communities, rural communities, and people of color. Flint, Michigan experienced a [national public health emergency](#) in 2014, when a switch in water supply led to massive lead contamination and other issues impacting drinking water. Residents in Jackson, Mississippi have been told more than [150 times](#) in the past two years that their drinking water is not safe, disrupting schools and hospitals. Water infrastructure across the [state of Texas](#) is aging and failing, leading to boil notices and high levels of contaminants in municipal water systems. The issues are systemic: the Environmental Protection Agency (EPA) reported in 2016 that [\\$271 billion](#) is needed to maintain and improve the nation's wastewater infrastructure. In 2023, the EPA estimated that [\\$625 billion](#) is needed to ensure safe drinking water.

The Clean Water State Revolving Fund (CWSRF) and the Drinking Water State Revolving Fund (DWSRF) are the primary federal programs supporting wastewater and drinking water infrastructure. For both of these funds, the EPA makes grants to states to capitalize a state revolving loan fund. States can then decide what projects to fund using the state revolving funds (SRFs), and the statutes establishing these funds allow for federal oversight of the state programs. In the past, earmarks — congressional provisions directing funds to be spent on specific projects — for water-related infrastructure projects were appropriated separately from the SRFs. But after the 117<sup>th</sup> Congress ended a ten-year moratorium on earmarks, [the process changed](#). Now portions of the CWSRF and DWSRF were set aside for earmarks, which reduced the size of the pie available to state and tribal water infrastructure grants through the revolving funds.

This change has effectively reduced the amount of money going to state revolving funds and the amounts set aside for grants to territories and tribes, a loss only partially offset by supplemental appropriations for water projects from the Infrastructure Investment and Jobs Act ([PL 117-58](#)). A recent Congressional Research Service [report](#) calculated that for FY2022, 27% (\$443.6 million) of the CWSRF and 35% (\$397.8 million) of the DWSRF were set aside for earmarks; in FY2023, these totals increased to 53% (\$863.1 million) of the CWSRF and 54% (\$609.3 million) of the DWSRF. In the FY2024 cycle, which Congress is currently legislating, the House of Representatives advanced an [appropriations bill](#) that would cut federal water spending by [more than half](#), and reserve most of what remains for earmarks. The Council of Infrastructure Financing Authorities, a national nonprofit for the Clean Water and Drinking Water State

Revolving Funds, [calculated](#) that should this bill become law, it would fund less than \$100 million for state water infrastructure projects, a 96% cut from FY2021 pre-earmark levels.

This new earmark process has clear [winners and losers](#). Some states (Alaska, Maine, Nevada) received far more money than they would have hypothetically received absent earmarks, while others received far less, particularly the states and territories without any earmarked water funding: Indiana, Montana, North Dakota, South Dakota, Wyoming, Indian Tribes, the District of Columbia, Puerto Rico, American Samoa, and Guam. Further, earmarking these projects shields them from the statutory oversight and transparency requirements of the SRFs and shifts decision making about what projects get funded from the states to members of Congress. And because — unlike most State Revolving Fund money — all earmarked funds are grants, they will not be repaid to replenish those state Funds, meaning the money will not be available in the future to help other communities.

State and community officials have raised the alarm about earmarks cutting into the CWSRF and DWSRF, most recently in a July 2023 Washington Post [article](#). Other experts, like the [Association of State Drinking Water Administrators](#), as well as advocacy organizations like the Natural Resources Defense Council, have similarly [expressed concern](#). We echo their dismay and urge Congress to end the recent practice of diverting water-related earmarks from the state revolving funds for FY2024.

Sincerely,  
Project On Government Oversight  
Alliance for the Great Lakes  
Bayou City Waterkeeper  
Black Warrior Riverkeeper  
Clean Water Action  
Community Water Center  
Earthjustice  
Environmental Policy Innovation Center (EPIC)  
For Love of Water (FLOW)  
Freshwater Future  
GreenLatinos  
Hijra House - Just Water Initiative  
Impact Fund  
In the Public Interest  
Lake Erie Waterkeeper  
League of Women Voters of the United States  
Micah Six Eight Mission  
Missouri Confluence Waterkeeper  
Natural Resources Defense Council  
NC Conservation Network  
New Jersey Future  
Open The Government

Park Watershed  
PolicyLink  
Sierra Club  
The Water Collaborative of Greater New Orleans  
Union of Concerned Scientists  
We the People of Detroit