

## April 21, 2023

The Honorable Kevin McCarthy Speaker of the House 2468 Rayburn House Office Building U.S. House of Representatives Washington, D.C.

The Honorable Sam Graves
Chairman, House Committee
on Transportation and Infrastructure
1135 Longworth House Office Building
U.S House of Representatives
Washington, D.C.

The Honorable David Rouzer
Chairman, House Committee
on Transportation and Infrastructure's
Subcommittee on Water Resources
and the Environment
2333 Rayburn House Office Building
U.S. House of Representatives U.S.
Washington, D.C.

The Honorable Hakeem Jeffries Democratic Leader of the House 2433 Rayburn House Office Building U.S. House of Representatives Washington, D.C.

The Honorable Rick Larsen
Ranking Member, House Committee
on Transportation and Infrastructure
2163 Rayburn House Office
U.S. House of Representatives
Washington, D.C

The Honorable Grace Napolitano
Ranking Member, House Committee
on Transportation and Infrastructure's
Subcommittee on Water Resources
and the Environment
1510 Longworth House Office Building
U.S. House of Representatives U.S.
Washington, D.C

RE: NASUCA support of passage of *The Clean Water State Revolving Fund Parity Act* (HR 250)

Speaker McCarthy, Democratic Leader Jeffries, Chairman Graves, Ranking Member Larsen, Chairman Rouzer, and Ranking Member Napolitano:

The National Association of State Utility Consumer Advocates ("NASUCA") urges congress to support and pass House Bill (<u>H.R. 250</u>) – *The Clean Water State Revolving Fund (SRF) Parity Act*, introduced by your colleagues Rep. John Garamendi (D-CA) and Rep. Mike Bost (R-IL) and intended to allow all wastewater customers access to taxpayer-funded low-interest loans and grants.

The Clean Water SRF currently excludes privately-owned wastewater utilities from accessing the low-interest loans and grants available under the program for the benefit of the customers and communities served by those utilities. In contrast, the Drinking Water SRF allows privately-owned water utilities to access the low-interest loans and grants available under the program.

The customers and communities served by privately-owned wastewater utilities pay the same federal and state taxes used to fund both SRF assistance programs but are excluded from the potential benefits offered by the Clean Water SRF. House Bill (<u>H.R. 250</u>) – *The Clean Water State Revolving Fund (SRF) Parity Act* will bring parity between these two important programs for the utility customers that fund them.

The low-interest loans and grants offered by the Clean Water SRF program provide important financial support to wastewater service providers, helping ensure necessary infrastructure investments can be built while helping to *maintain affordable rates for customers*. This is especially important for small water and wastewater utilities that, due to the lack of population density and the lack of economies of scale, often face unique liquidity challenges in supporting needed infrastructure upgrades.

The current eligibility requirements of the Clean Water SRF program ultimately limits the impact of this taxpayer-funded program leaving out tens of millions of Americans served by regulated wastewater utilities. H.R. 250 amends eligibility provisions of the Clean Water SRF to allow all wastewater customers and communities to benefit from the program's low-interest loans and grants.

If eligibility for the program is expanded to include private utilities, NASUCA also believes the federal legislation should require that state regulators have some mechanism to ensure that the benefit of lower cost capital flow through to customers from their utilities in the form of lower rates.

NASUCA is aligned with and supports the statements and policy resolution in the April 6, 2023, letter sent to you by the National Association of Regulatory Utility Commissioners ("NARUC") supporting H.R. 250 privately-owned utilities have fair and equal access to federal and state wastewater programs.

Signing on as a cosponsor of this bill means you will further the goal that all customers and communities have equal access to fair, safe, reliable, and affordable wastewater services.

Respectfully Submitted,

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