

May 15, 2018

Senator John Barrasso
Chairman,
Committee on Environment & Public Works
410 Dirksen Senate Office Building
Washington, DC 20510

Senator Tom Carper
Ranking Member,
Committee on Environment & Public Works
456 Dirksen Senate Office Building
Washington, DC 20510

Senator Jim Inhofe
Chairman,
Transportation & Infrastructure Subcommittee
205 Russell Senate Office Building
Washington, DC 20510

Senator Ben Cardin
Ranking Member,
Transportation & Infrastructure Subcommittee
509 Hart Senate Office Building
Washington, DC 20510

Re: Strong Support for Inclusion of the SRF WIN Act in America's Water Infrastructure Act

Dear Chairman Barrasso, Ranking Member Carper, Senator Inhofe and Senator Cardin,

The nation's leading construction, engineering, municipal, conservation, public works, infrastructure finance, labor and manufacturing organizations, strongly support the Securing Required Funding for Water Infrastructure Now Act - the SRF WIN Act - and your efforts to reauthorize the Water Resources Development Act. We believe the inclusion of the SRF WIN Act in the America's Water Infrastructure Act will make a really good bill even better. The bipartisan SRF WIN Act, cosponsored by Senators Boozman, Booker, Inhofe, Feinstein, Barrasso, Manchin, Capito, Casey, Cornyn and Baldwin, is a fiscally responsible approach to providing States over \$10 B annually for critical improvements to our nation's rural and urban water infrastructure.

The SRF WIN Act utilizes the substantial leveraging of Federal infrastructure funding established through the Water Infrastructure Finance Innovation Act (WIFIA) Program – PL 113-121 - to finance the existing Clean Water Act and Safe Drinking Water Act State Revolving Funds (CWA and SDWA SRFs). State Finance Authorities have been successfully financing wastewater infrastructure projects through the CWA SRF for the past 30 years and drinking water infrastructure through the SDWA SRF for the past 20 years. State Finance Authorities have solicited and assessed thousands of water infrastructure project proposals submitted by large and small communities in every state and Congressional District. States currently have thousands of vetted water infrastructure projects awaiting SRF funding.

State Finance Authorities are in an ideal position to combine new WIFIA leveraged funding with existing SRF Funds to expeditiously finance thousands of existing and vetted water infrastructure projects. Under current law, State Finance Authorities are eligible recipients of WIFIA funding and are able to bundle existing water and wastewater projects into a single WIFIA loan proposal. On July 19, 2017, EPA gave preliminary "approval" to a \$436 M WIFIA loan to construct drinking water and wastewater projects across Indiana. The SRF WIN Act

builds upon the Indiana experience to dramatically improve the workability of WIFIA and expand the utilization of this innovative water infrastructure financing tool to all states.

Specifically, the SRF WIN Act amends the existing WIFIA program to:

- **Expedite consideration of WIFIA loan applications** – requires EPA to approve an application from an SRF within 180 days of receipt. The current WIFIA program has taken years to approve less than a dozen projects. Sec. 2 (e) Expedited Review of Applications
- **Enhance leveraging of WIFIA funding** – all State SRFs have AAA Bond Ratings allowing for a \$100 M appropriation to yield \$10 B in WIFIA Loans to states. Sec 2 (f) Authorization of Appropriations
- **Remove Application Fees** – the elimination of Application Fees will save SRF borrowers approximately \$250 - \$500 K per application. Sec. 2 (c) (3) Application Fees
- **Enhance Funding for SRF Administration of New WIFIA Funding** – SRFs can use WIFIA to cover reasonable costs of administration. Sec. 2 (c) 2 Administrative Costs
- **Protect Current SRF and WIFIA Funding** – No funds are available for the SRF WIN Act if appropriations for the SRFs and WIFIA are less than amount appropriated in FY 2018. Sec. 2 (f) (3) No Impact On Other Federal Funding
- **Provide Loan Interests Rates that Encourage Participation in WIFIA by All States** – funds are available to states in the form of low interest loans – at or below the Treasury Rate. Sec. 2 (d) (C) Distribution of Loans
- **Provide WIFIA Funding for Potentially Thousands of Water Projects** – removing barriers to SRF participation in WIFIA and providing incentives to SRF participation in WIFIA will enable States to bundle all of their priority drinking water and wastewater projects, both large and small projects, into a single State project for EPA approval. A single State SRF WIFIA project could include over 100 individual water and wastewater projects. Sec. 2 (b) Financial Assistance to State Loan Funds

Providing State Finance Authorities WIFIA loans is the most effective and efficient means for the Federal government to support water and wastewater construction projects across the nation. The SRF WIN Act enjoys broad bipartisan support in the Senate and advances significant, fiscally responsible, investments in our nation's water infrastructure. This legislation merits inclusion in the America's Water Infrastructure Act.

The WIFIA program was initially authorized in the Water Resources Development Act (WRDA) and we believe the significant improvements to WIFIA contained in the SRF WIN Act should be addressed in WRDA '18 – the America's Water Infrastructure Act. We greatly appreciate your commitment to improving our nation's water infrastructure and look forward to working with you in the coming days to secure broad bipartisan support for passage of the American's Water Infrastructure Act.

Sincerely,

- **American Council of Engineering Companies – ACEC**
- **American Composite Manufacturers Association - ACMA**
- **American Public Works Association – APWA**
- **American Society of Civil Engineers – ASCE**
- **Arkansas Natural Resources Commission - ANRC**
- **Arkansas Rural Water**
- **Associated General Contractors of America – AGC**
- **U.S. Chamber of Commerce**
- **Council of Infrastructure Finance Authorities - CIFA**
- **Ducks Unlimited – DU**
- **Grasslands Water District -- GWD**
- **Hydraulic Institute – HI**
- **International Union of Operating Engineers – IUOE**
- **Laborers International Union of North America – LIUNA**
- **Land Trust of Arkansas – LTA**
- **Milwaukee Metropolitan Sewer District - MMSD**
- **National Association of Clean Water Agencies – NACWA**

- **National Electrical Contractors Association - NECA**
- **National Rural Water Association – NRWA**
- **North America’s Building Trades Unions - NABTU**
- **NEW Water**
- **Riceland Foods**
- **Rural Community Assistance Partnership – RCAP**
- **United Association of Plumbers and Pipefitters - The United**
- **Vinyl Institute – VI**
- **Water Reuse Association - WRA**
- **Water Infrastructure Network – WIN**
- **Water Systems Council – WSC**
- **Water Well Trust - WWT**