

September 26, 2023

The Honorable Charles Schumer Majority Leader U.S. Senate Washington, D.C. 20510

The Honorable Mitch McConnell Minority Leader U.S. Senate Washington, D.C. 20510

The Honorable Patty Murray Chair Senate Committee on Appropriations Washington, DC 20510

The Honorable Susan Collins Vice Chair Senate Committee on Appropriations Washington, DC 20510 The Honorable Kevin McCarthy Speaker U.S. House of Representatives Washington, D.C. 20515

The Honorable Hakeem S. Jeffries Minority Leader U.S. House of Representatives Washington, D.C. 20515

The Honorable Kay Granger Chair House Committee on Appropriations Washington, DC 20515

The Honorable Rosa DeLauro
Ranking Member
House Committee on Appropriations
Washington, DC 20515

Brian Patrick Kennedy

Speaker Pro Tempore Rhode Island General Assembly President, NCSL

Sabrina N. Lewellen

Deputy Director- Senate Assistant Secretary of the Senate Arkansas General Assembly Staff Chair, NCSL

Tim Storey

Chief Executive Officer NCSL

Dear Majority Leader Schumer, Speaker McCarthy, Minority Leader McConnell, Minority Leader Jeffries, and Appropriations Chairs and Ranking Members:

On behalf of the National Conference of State Legislatures (NCSL), the bipartisan organization representing the legislatures of our nation's states, territories, and commonwealths, we urge Congress to appropriate the current authorized funding levels for the Clean Water and Drinking Water State Revolving Funds (SRFs), and exercise caution as it attaches Congressionally Directed Spending (CDS) to the SRFs.

Robust support for these vital water infrastructure programs is essential as they are integral state-federal partnerships that enable a wide range of water quality projects benefiting our citizens. The SRFs provide low-cost financing for critical water infrastructure projects, ensuring clean and safe drinking water and wastewater services nationwide.

Historically, CDS for water projects have been funded separately. However, since FY 2022, CDS projects have diverted funding away from SRF programs, resulting in a significant 42% reduction for state-directed SRF projects, totaling \$2.3 billion according to the <u>Council of Infrastructure Financing Authorities</u>. While the supplemental funding in the Infrastructure Investment and Jobs Act provides some relief, the SRFs are likely to face fiscal uncertainty when that funding ends.

NCSL and our members are committed to working with Congress to support established SRF programs, and ensure states have the capacity necessary to administer and maintain the solvency of such funds. States have shown their ability to prioritize the safety and modernization of the nation's water infrastructure and must be able to continue to do so without the diversion of funding for federal priorities. Please contact NCSL staff Kristen Hildreth (kristen.hildreth@ncsl.org) with any additional questions.

Best,

Tim Storey

Chief Executive Officer

National Conference of State Legislatures