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Here's What the Water Sector Wants from Congress and President-Elect Biden.

In a [letter](#) to President-elect Joe Biden last week, the American Water Works Association (AWWA) urged the incoming administration to prioritize COVID-19 relief for water utilities and investment for the overall water infrastructure sector.

The letter, authored by association president Melissa Elliott, cites AWWA research that revenue shortfalls at U.S. drinking water utilities may reduce economic activity by \$32.7 billion and cost 75,000 to 90,000 private-sector jobs. Drinking water utilities are expected to see revenues from customer payments drop by nearly \$14 billion, according to AWWA estimates. This is the result of the elimination of water shutoffs for non-payment, increased late payments due to high unemployment, reductions in non-residential water demands, and the addition of fewer new customers due to economic stagnation.

The letter explains that while the CARES Act passed earlier this year did provide funding relief to state and local governments, the act also carried a provision prohibiting the use of those funds to offset lost local utility revenues. AWWA says many utilities, particularly those serving small to medium-sized communities, are at risk resulting from diminished operating revenues. Not only do these lost revenues mean local communities are less able to renew, repair, and sustain aging infrastructure and treatment facilities, but some are feeling the effects in their ongoing operating finances, which may result in the loss of operators who are needed to ensure the utility is in regulatory compliance, the association says.

The letter calls on the president-elect and Congress to work together on the next COVID-19 relief package and urges that it include:

1. Funding to help low-income customers pay their water bills during the current pandemic emergency;
2. Funding to help those local water utilities that have suffered significant revenue losses due to the pandemic, so that they can continue to operate and provide safe water services; and
3. A definitive limitation to any mandated moratorium on disconnection of water service for non-payment, if such a moratorium is included in a legislative package.

Finally, the letter from AWWA also urged President-elect Biden to take up water infrastructure investment as a priority in his administration, recommending the following:

1. In the 2021 budget, seek fully authorized funding for the WIFIA and SRF programs.
 2. Work with Congress to strengthen the effectiveness of WIFIA in this manner
 3. Reauthorize WIFIA and increase authorized funding.
 4. Authorize an increase in WIFIA staff to help get loans out the door more quickly.
 5. In negotiating changes to the tax code, ensure that the tax-exempt status of municipal bonds is protected, and that the tax advantages of advanced refunding of these bonds is restored.
- Water Sector Calls on Congress to Assist Low-Income Customers Amid Pandemic**

Meanwhile, as the COVID-19 pandemic persists in the United States, AWWA and other water sector groups including the Water Environment Federation (WEF), the Association of Metropolitan Water Agencies (AMWA), National Association of Clean Water Agencies (NACWA), National Rural Water Association and WateReuse Association, are calling on Congress for increased funding. Similar to the recommendations to the incoming Biden administration, the groups say utilities need more help to rebound from the pandemic and invest in critical infrastructure, as well as to assist low-income customers pay bills. The organizations' goals were laid out in a [joint letter](#) to Congressional leaders.

On the subject of assistance to low-income customers, the letter notes two versions of the HEROES Act approved by the House of Representatives this year (H.R. 6800 and H.R. 925) contained language to establish a \$1.5 billion Low-Income Household Drinking Water and Wastewater Assistance program, which would provide funds to local water and wastewater utilities to offset water rates charged to low-income customers during the pandemic.

Water systems report that delinquent residential water accounts have increased dramatically over the past several months - especially among low-income customers - so this type of targeted assistance is vital to getting these vulnerable customers back on track while also providing a needed stream of operational funds to water and wastewater systems. The associations request that this or a similar low-income customer assistance program is maintained in any pandemic relief package.

[Click here](#) to read more from the full joint statement from the water sector to House Speaker Nancy Pelosi (D-Calif.) and Senate Majority Leader Mitch McConnell (R-Ky.).

WATER AND FINANCE MANAGEMENT

BY WFM STAFF

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