

May 21, 2021

The Honorable Lisa Blunt Rochester  
U.S. House of Representatives  
1724 Longworth House Office Building  
Washington, DC 20515

The Honorable John Katko  
U.S. House of Representatives  
2428 Rayburn House Office Building  
Washington, DC 20515

Dear Congresswoman Blunt Rochester and Congressman Katko:

The American Society of Civil Engineers (ASCE) expresses our support for H.R. 3293, the Low-Income Water Customer Assistance Program (LIWCAP) Act of 2021. This bipartisan bill provides U.S. Environmental Protection Agency (EPA) grants to drinking water and wastewater utilities to be used to assist low-income customers with financial assistance on their drinking water and wastewater bills. The program also directs the EPA to provide technical assistance funding to states for community outreach campaigns and coordination with local health departments to ensure maximum enrollment of eligible households. Finally, it directs the EPA to conduct a needs assessment on the prevalence of low-income households that do not have access to affordable water services. The passage, implementation, and full funding of this program is one of ASCE's 2021 *Infrastructure Report Card* solutions to raising the nation's "C-" [drinking water](#) grade and "D+" [wastewater](#) grade.

Well-maintained public drinking water and wastewater infrastructure systems are critical for public health, strong businesses, and clean waters and aquifers, but despite increased efficiency methods and sustainable practices, there is a growing gap between the capital needed to maintain drinking water and wastewater infrastructure and the actual investments made. To estimate this gap and quantify the failure to invest in our water infrastructure, last year ASCE, in conjunction with the Value of Water, released *The Economic Benefits of Investing in Water Infrastructure: How Failure to Act would Affect the U.S. Economic Recovery*.

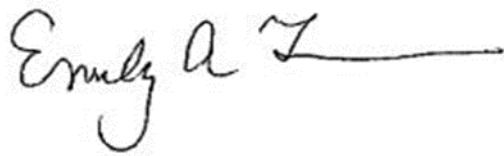
This economic study analyzed the impact of current water infrastructure investment trends on America's GDP, jobs, personal income, and businesses and found that the U.S. had an investment gap of \$81 billion in 2019 alone, with \$129 billion in capital needs but only \$48 billion in investments. Furthermore, despite the growing need for water infrastructure, the federal government's share of capital investment has fallen from 31 percent in 1997 to a mere four percent in 2017. This underinvestment, will cause our infrastructure to further degrade, resulting in a loss of 636,000 jobs annually and \$2.9 trillion in GDP by 2039. In 2019, there was an \$81 billion water infrastructure funding gap; if this chronic underinvestment continues, our nation's drinking water and wastewater sectors face a \$434 billion funding gap by 2029. If we as a nation we invested an additional \$964 billion over the next 10 years, or approximately \$96 billion annually across all levels of government and the private sector to our water infrastructure needs, the benefits would be immense.

Nationwide, a single-family residence pays an average rate of \$504 annually for wastewater collection and treatment. Since 2008, wastewater user rates have increased to reflect the true cost of service, and a number of additional factors – including decreasing usage due to water conserving appliances, persistent leaks from aging infrastructure, and increasing inflation – have contributed to a 24% increase in rates between 2008 and 2016. Meanwhile, the average nationwide drinking water rate increased 31% from 2012 to 2018. Although 88% of Americans pay drinking water rates that are lower than the EPA's standard of affordability, it is estimated that up to 36% of households will not be able to afford the cost of drinking

water by 2024. The EPA standard for affordability is that households spend no more than 2% on drinking water and 4.5% of median income on both drinking water and wastewater services.

America's wastewater and stormwater infrastructure provide a critical service, and it is crucial that sustained, significant, and strategic investments from all levels of government and the private sector are made to meet growing demand. ASCE thanks you for your leadership and introduction of this bipartisan bill and is proud to endorse it. The Low-Income Water Customer Assistance Program (LIWCAP) Act of 2021 is one of ASCE's *2021 Infrastructure Report Card* solutions to raising the drinking water and wastewater grades. We support passage, implementation, and funding of this program to ensure that low-income and vulnerable communities do not bear a disproportionate burden of rate increases. ASCE welcomes the opportunity to work with you on this important issue.

Sincerely,

A handwritten signature in black ink that reads "Emily A. Feenstra". The signature is written in a cursive style with a long horizontal line extending to the right.

Emily Feenstra  
Managing Director, Government Relations & Infrastructure Initiatives