TO: Board of Directors

FROM: Public Affairs & Legislation Committee  
(Directors Tamaribuchi, Dick and Yoo Schneider)

Robert Hunter  
General Manager

Staff Contact: Heather Baez

SUBJECT: H.R. 2510 (DeFazio, D-OR, Duncan, R-TN, and Napolitano, D-CA) – Water Quality Protection and Job Creation Act of 2017

STAFF RECOMMENDATION

Staff recommends the Board of Directors vote to adopt a watch position on H.R. 2510 (DeFazio - OR, Duncan - TN, and Napolitano - CA).

COMMITTEE RECOMMENDATION

Committee will review this item on June 19, 2017 and make a recommendation to the Board.

SUMMARY

H.R. 2510 invests $25 billion over five years in wastewater infrastructure and other efforts to improve water quality by providing technical assistance to rural, small and tribal municipalities in the planning, developing, and acquisition of financing for eligible projects, and create thousands of new jobs.

Specifically, it authorizes $20 billion in Federal grants over five years to capitalize Clean Water State Revolving Funds; $1.5 billion over five years for grants for state water pollution control agencies; $600 million over five years for clean water pilot programs for watershed-based or system-wide efforts to address wet weather discharges, to promote stormwater best management practices, to undertake integrated water resource management, and to increase the resiliency of treatment works to natural or man-made disasters; $2.5 billion

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over five years for grants to address combined sanitary sewer overflows and recapture and reuse of municipal stormwater; and $375 million over five years for alternative water source projects that reuse wastewater and stormwater to augment the existing sources of water.

ARGUMENTS IN SUPPORT

According to the authors, H.R. 2510, “America’s water infrastructure is in dire need of renewed Federal investment. Currently, our communities face a backlog of over $40 billion in clean water infrastructure projects, and they need close to $300 billion of investment over the next 20 years to protect clean water and bring their systems to a state of good repair. We cannot continue to neglect the serious needs of our aging water infrastructure systems. This legislation will help local governments repair and replace failing wastewater infrastructure, safeguard wastewater systems, and protect public health.”

ARGUMENTS IN OPPOSITION

Additional grants and loans for water and wastewater programs are always a welcome sight. However, given the high dollar amount appropriated in this measure, along with the author and all but one coauthor being in minority party, it’s unlikely to move.

MWDOC LEGISLATIVE POLICY PRINCIPLES

MWDOC’s legislative policy principles directly reflect support for water infrastructure financing. Specifically, it is MWDOC’s policy to support legislation and regulation that: Establishes grants or other funding opportunities for local and regional water infrastructure projects. And: Would reduce the cost of financing water infrastructure planning and construction, such as tax-credit financing, tax-exempt municipal bonds, Water Resources Development Act (WRDA), Water Infrastructure Finance Innovation Act (WIFIA), the Environmental Infrastructure Accounts and other funding mechanisms.

At this time, MWDOC staff feels that a watch position is most appropriate. This bill may be of interest to our member agencies who are looking for additional funding for projects. However, given the price tag and political climate in Washington D.C. it may not be the best use of resources to move to a full support at this time. Should the bill advance and conference with a Senate bill, we may wish to revisit our position at that time.

COMMENTS

Coauthors-Co-sponsors to H.R. 2510:

Congressman John J. Duncan, (R-TN) – co-sponsor
Congresswoman Grace Napolitano, (D-CA) – co-sponsor
Congresswoman Eleanor Holmes Norton, (D-D.C.)
Congressman Jerrold Nadler, (D-NY)
Congresswoman Eddie Bernice Johnson, (D-TX)
Congressman Elijah Cummings, (D-MD)
Congressman Rick Larsen, (D-WA)
Congressman Michael Capuano, (D-MA)
Congressman Daniel Lipinski, (D-IL)
This measure was introduced on May 18, 2017 and has not yet been set for a hearing.

**DETAILED REPORT**

The full text of H.R. 2510 is attached for your information.