

An important message from 37 national and state organizations about the future of federal funding for water infrastructure that protects human health and the environment.



February 20, 2025

The Honorable Mike Simpson
Chairman
U.S. House Appropriations Subcommittee
on Interior, Environment and Related
Agencies
Washington, D.C. 20515

The Honorable Lisa Murkowski
Chair
U.S. Senate Appropriations Subcommittee
on Interior, Environment and Related
Agencies
Washington, D.C. 20510

The Honorable Chellie Pingree
Ranking Member
U.S. House Appropriations Subcommittee
on Interior, Environment and Related
Agencies
Washington, D.C. 20515

The Honorable Jeff Merkley
Vice Chair
U.S. Senate Appropriations Subcommittee
on Interior, Environment and Related
Agencies
Washington, D.C. 20510

Re: 2025 and 2026 Fiscal Year Appropriations for the Clean Water and Drinking Water State Revolving Funds (SRFs)

Dear Chairman Simpson, Chair Murkowski, Ranking Member Pingree and Vice Chair Merkley:

As your Committees finalize appropriations for fiscal year 2025 and begin the appropriations process for fiscal year 2026, the undersigned national and state organizations urge full funding of the Clean Water and Drinking Water State Revolving Funds (SRFs) at congressionally authorized levels of \$3.25 billion for each program for each fiscal year.

Clean, safe water is essential to human health.

Fully funding the SRFs will expand access to affordable financing for infrastructure that provides safe drinking water, suitable recycled water, wastewater services and stormwater management in thousands of communities around the nation every year. Adequate federal funding for this basic public health infrastructure is needed to reduce the risk of preventable diseases from poor water quality and water scarcity for millions of Americans.

The demand for affordable SRF financing has increased exponentially in recent years.

Adequate federal funding is needed to meet the growing demand for SRF subsidized loans, which has skyrocketed due to the increased cost of planning, design, construction and financing.

- While inflation has stabilized, the cost of planning, design and construction remains well above pre-pandemic levels, particularly in rural communities that can least afford it.
- Higher construction costs are compounded by higher financing costs from rising interest rates on the municipal market.

- The nation continues to face a backlog of projects to rehabilitate and modernize aging infrastructure.
- Complying with more stringent water quality standards requires new investments in sophisticated and often expensive treatment technologies.

Drinking water, recycled water, wastewater and stormwater utilities face a funding cliff.

Supplemental federal funding for the SRFs in the Infrastructure Investment and Jobs Act (IIJA) ends in 2026. When that one-time funding ultimately dries up, many communities will lose access to a source of affordable financing to build infrastructure to meet national standards for safe and clean water, jeopardizing the health of millions of Americans.

Funding the Clean Water and Drinking Water SRFs at congressionally authorized levels of \$3.25 billion for each program for fiscal years 2025 and 2026 will provide much needed access to affordable financing for water infrastructure that protects human health and the environment.

Thank you for your continued support of the Clean Water and Drinking Water SRFs.

Alabama Rivers Alliance
Alliance for Water Efficiency (AWE)
American Council of Engineering Companies (ACEC)
American Public Works Association (APWA)
American Rivers Action Fund
American Water Works Association (AWWA)
Association of Clean Water Administrators (ACWA)
Association of Metropolitan Water Agencies (AMWA)
Association of State Drinking Water Administrators (ASDWA)
Clean Water Action
Council of Infrastructure Financing Authorities (CIFA)
Environmental Council of the States (ECOS)
Environmental Policy Innovation Center (EPIC)
Government Finance Officers Association (GFOA)
Moonshot Missions
National Association of Clean Water Agencies (NACWA)
National Municipal Stormwater Alliance (NMSA)
Rural Community Assistance Partnership (RCAP)
Texas Water Association
Texas Water Infrastructure Association (TXWIN)
U.S. Water Alliance
The Water Research Foundation (WRF)
Water and Wastewater Equipment Manufacturers Association (WWEMA)
Water Environment Federation (WEF)
WaterNow Alliance

WateReuse Association (WRA)
WateReuse Arizona
WateReuse California
WateReuse Colorado
WateReuse Florida
WateReuse Kansas
WateReuse Mid-Atlantic
WateReuse Nevada
WateReuse Ohio
WateReuse Pacific Northwest
WateReuse Texas
Western States Water Council