

February 3, 2025

Ms. Tirzah Glebes and Mr. John Towe
Drinking Water Infrastructure Development Division
Office of Ground Water and Drinking Water
U.S. Environmental Protection Agency,
1200 Pennsylvania Ave. NW
Washington, D.C. 20460

Dear Ms. Glebes and Mr. Towe,

The Council of Infrastructure Financing Authorities (CIFA), which represents the Drinking Water State Revolving Funds (SRFs) in all 50 states, appreciates the opportunity to provide comments on the proposed Information Collection Request for the 8th Drinking Water Infrastructure Needs Survey and Assessment (EPA ICR Number 7798.01, OMB Control Number 2024-0561).

The Drinking Water SRFs are the nation's premier programs for funding infrastructure that provides safe and affordable drinking water to hundreds of millions of households and small businesses in communities around the country. Since the program was established in 1997, the state-run subsidized loan programs have used \$24 billion in federal funding to generate more than \$57 billion in financial assistance for more than 20,000 projects, 70% of which were in communities with populations of 10,000 or less.

The Drinking Water Needs Survey and Assessment (Needs Survey) is used to determine the amount of annual and supplemental federal funding provided to the SRFs, territories, tribes and Washington, D.C. for drinking water infrastructure. To ensure confidence in the integrity of the allotment formula, the methodology for collecting and analyzing data in the Needs Survey must be clearly understood by recipients, Congress and the public.

Since 2023, CIFA, on behalf of the Drinking Water SRFs, has expressed concerns about the data quality and methodology of the lead service line questionnaire in 7<sup>th</sup> Needs Survey, which was used to develop the allotment of one-time federal funding for lead service line inventories and replacement in the Infrastructure Investment and Jobs Act (IIJA) – the largest appropriation in the history of the SRFs. To date, no Drinking Water SRF has been able to replicate the number of lead lines calculated by U.S. Environmental Protection Agency (EPA) to determine their state's allocation of federal funding.

On January 17, 2025, EPA announced plans to reopen the 7<sup>th</sup> Needs Survey to incorporate data from lead service line inventories which water systems were required to submit to states by

October 1, 2024, under the Lead and Copper Rule Revisions.<sup>1</sup> The updated 7<sup>th</sup> Needs Survey, the second revision within 18-months, will be used to adjust the amount of federal funding in the IIJA that Drinking Water SRFs receive for lead service line inventories and replacement for fiscal years 2025 and 2026.

Since EPA has decided to retroactively incorporate inventory data into the 7<sup>th</sup> Needs Survey, it appears likely that EPA has already made the decision to use inventory data for the 8<sup>th</sup> Needs Survey. CIFA urges EPA to work closely with states to determine <u>how</u> this data is incorporated into the 8<sup>th</sup> Needs Survey.

CIFA also cautions EPA not to raise expectations about the availability or quality of data in the inventories. While likely better than the data provided by the previous lead questionnaire, most inventories still have a significant number of lines of unknown material. Providing a better understanding of how EPA calculates these unknowns would strengthen confidence in the fairness of the allotment formula for federal funding.

Using the inventories would eliminate EPA's current practice of accepting and encouraging various methodologies for estimating the number of lead service lines based on best professional judgement. The inventories provide a level playing field for data collection, which would also strengthen confidence in the fairness of the allotment formula for federal funding.

To ensure a robust data collection, CIFA urges EPA to explain – <u>before data collection on the 8<sup>th</sup> Needs Survey begins</u> – how the data on lead lines will be incorporated into the allotment formula <u>after</u> the one-time federal funding for lead service line inventories and replacement ends in 2026, including:

- Will the methodology require a weight of evidence for lead service line replacement projects as required for all other projects? Or will EPA continue to have different documentation standards for lead service lines, as was the case for the 7<sup>th</sup> Needs Survey?
- If project documentation isn't required, how will the number of lead service lines factor into the allotment formula?

Thank you again for the opportunity to provide comments on the ICR for the 8<sup>th</sup> Needs Survey. CIFA looks forward to supporting the efforts of the SRFs to successfully implement the next Need Survey.

Angela Knecht

Sincerely,

<sup>&</sup>lt;sup>1</sup> 2025 Update to the 7<sup>th</sup> DWINSA and Approach for Fiscal Years 2025 and 2026 Infrastructure Investment and Jobs Act Lead Service Line Replacement Allotments

## **About CIFA**

CIFA is a national not-for-profit organization of the Clean Water and Drinking Water State Revolving Funds (SRFs), the nation's premier programs for funding water infrastructure that protects public health and the environment.

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