

Opposition to the Clean Water SRF Parity Act (H.R. 250)

The Honorable Sam Graves
Chair, Committee on Transportation and
Infrastructure
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Rick Larsen
Ranking Member, Committee on
Transportation and Infrastructure
U.S. House of Representatives
Washington, D.C. 20515

January 30, 2024

Dear Chair Graves, Ranking Member Larsen, and other honorable members of the
Transportation and Infrastructure Committee,

On behalf of our millions of members and supporters, we, the undersigned 163 religious, labor, community-based, small business, environmental, water and other nonprofit organizations, strongly oppose the Clean Water SRF Parity Act (H.R. 250), which would allow for-profit corporations to access the Clean Water State Revolving Fund (CWSRF) and take federal funding away from local government wastewater systems. This legislation would allow large for-profit corporations to access the \$12.7 billion in funding to the CWSRF from the Bipartisan Infrastructure Law and funding from any future increases to the program.

The Clean Water SRF Parity Act would take money away from local government wastewater providers to hand out to big water corporations. For-profit water corporations, the largest of which have annual revenues that dwarf federal funding to the Clean Water SRF, can outcompete local governments, particularly small and disadvantaged communities, for the limited funds. The needs of our publicly owned wastewater systems are substantial and growing every year because of aging infrastructure, increasingly severe wet weather events and rising sea levels that overwhelm systems, and stronger water quality regulations that are necessary to protect public and environmental health. Local publicly owned treatment systems should not have to compete with large corporations for access to limited federal dollars.

The Clean Water SRF Parity Act would facilitate wastewater privatization, which leads to higher wastewater bills for households and local businesses. An estimated 98 percent of wastewater treatment systems serving communities are publicly owned, but in recent years, large investor-owned utilities have shifted their focus to target municipal wastewater systems for acquisition. This legislation would grease the wheels on those privatizations by taking money away from local governments and in effect starving them of resources, and because money is fungible, it would free up other capital for corporations to privatize municipal systems. It also explicitly allows funding for nonprofit entities to assist with the acquisitions of these corporations. Privatization leads to higher rates for households and local businesses to cover the cost of corporate profits. A 2022 study found that private ownership is the single biggest factor

in higher drinking water rates among large systems, playing a larger role than aging infrastructure or drought.¹

The Clean Water SRF Parity Act fails to ensure that all federal dollars would go to the public benefit. The legislation includes a weak limitation that says the assistance would only need to “primarily” benefit customers — not exclusively — and it lacks any mechanism to ensure compliance. This is a big concern because of how investor-owned utilities are regulated in some states. In addition, because large investor-owned utilities typically seek to charge the same rates to customers statewide, the savings of federal funding for a project in a disadvantaged community will not be reflected in the sewer bills of that community. Instead, the benefits will be spread statewide including wealthy areas.

The Clean Water SRF Parity Act is unnecessary, and it will lead to fewer new projects and fewer new jobs. Federal funding to support publicly owned systems enables those projects to happen. Without this federal funding, many local public providers, particularly small and disadvantaged communities, cannot move forward on a project because their customer base cannot support the rate increases to finance a project. Investor-owned utilities, however, do not need Clean Water SRF financing; by their own sales pitches, large investor-owned utilities already have access to private capital, so projects proceed regardless of their access to this program. Worse, to the extent these corporations outcompete public providers for this federal funding, this legislation will lead to fewer projects and fewer associated new jobs because those locally controlled public wastewater projects no longer receive the financial support they need.

We strongly urge you to reject the Clean Water SRF Parity Act (H.R. 250). Do not allow large investor-owned utilities to access the limited funding from the Clean Water SRF program.

Sincerely,

1worker1vote

350 Lake Norman

350Hawaii

ABQ Indivisible

Accelerate Neighborhood Climate Action

AFSCME California Chapter 57 Retirees

American Federation of State, County, and
Municipal Employees (AFSCME)

Aquamarine Studio

Bailey's Cafe

Blessed Tomorrow

Businesses for a Livable Climate

Cahaba River Society

Call to Action Colorado

CatholicNetwork US

Center for Biological Diversity

¹ Zhang, X. et al. “Water pricing and affordability in the US: public vs. private ownership.” *Water Policy*, Vol. 24, Iss. 3. March 2022. Available at <https://iwaponline.com/wp/article/24/3/500/87702/Water-pricing-and-affordability-in-the-US-public>

Champaign-Urbana DSA
Christians For The Mountains
Church Women United in New York State
Church World Service
Cities of Peace Detroit
Closing the Water Gap Working Group
COCO (Coalition of Community Organizations)
Colorado Businesses for a Livable Climate
Common Ground Relief
Community for Sustainable Energy
Community Water Justice
Concerned Citizens for Nuclear Safety
Conshohocken Opposes Privatization Efforts
Corporate Accountability
CURE
Democrat Environmental Caucus of Florida-Okaloosa County Chapter
Dominican Sisters of Sparkill
Don't Waste Arizona
Dr. F Taylor, Faulty Senate Chair, Benedictine University
Earth Ethics, Inc.
ecoAmerica
Edna Griffin School for Social Justice
Exeter Township Pa Water Issues
Faith in Place Action Fund
Fayetteville Police Accountability Community Taskforce
Flint Rising
Food & Water Watch
For Love of Water (FLOW)
FreshWater Accountability Project

Freshwater Future
Friends of Buckingham
George Wiley Center
Georgia Advancing Communities Together, Inc.
Georgia Interfaith Power and Light
Great Old Broads for Wilderness
Greater Highland Area Concerned Citizens
Greater New Orleans Housing Alliance
Green House Connection Center
Greenvest
Habitat for All
Harford County Climate Action
Harrington Investments, Inc.
In the Public Interest
Indivisible Ambassadors
Inner City Neighborhood Art House
Institute for Agriculture and Trade Policy
Interfaith Oceans
Interstate 70 Citizens Advisory Group
Justice Ministries Committee, Presbytery of NYC
Kairos Center for Religions, Rights and Social Justice
Keep Water Affordable
Kickapoo Peace Circle
Lady Freethinker
Larimer Alliance for Health, Safety, & Environment
Littleton Business Alliance
Long Beach Gray Panthers
Mayfair Park Neighborhood Association Board
Mendocino Women's Political Coalition

Mental Health & Inclusion Ministries
Metro N.Y. Catholic Climate Movement
Michigan Citizens for Water Conservation
Milwaukee Riverkeeper
Mind's Eye Productions
MLK Coalition of Greater Los Angeles
Montbello Neighborhood Improvement Association
Mothers Out Front - National
Mothers Out Front- Virginia
Mountain Watershed Association
MoveOn.org Hoboken RESIST
National Coalition for Education and Legislation for Affordable Water
National Religious Coalition on Creation Care
Nature Coast Conservation
Nature Heritage Society
Neighbors Opposing Privatization Efforts
NewYork Grassroots Alliance
North American Climate, Conservation and Environment(NACCE)
North Range Concerned Citizens
Northern Michigan Environmental Action Council (NMEAC)
NouVo Studio
NYC H2O
Occupy Bergen County
Orange RAPP
Our Sacred Earth
Partnership for the Public Good
People Demanding Action
People for a Healthy Environment

Physicians for Social Responsibility, AZ Chapter
PODER
Presentation Sisters
Protect Our Commonwealth
Public Justice Center
RapidShift Network
Recode
Responsible Decarbonization Alliance (RDA)
Revisionist Party
San Luis Valley Ecosystem Council
Sanford-Oquaga areas Concerned Citizens (S-OACC)
Save the Environmental Protection Agency
Saving Our Sons Sisters International AKA SOSSI
SEE (Social Eco Education)
Seneca Lake Guardian
Sequoia ForestKeeper
SERCAP, INC.
Servicios Ecumenicos para Reconciliacion y Reconstruccion
Sisters of Charity
Sisters of Charity of Nazareth Congregational Leadership
Sisters of Charity of Nazareth Western Province Leadership
Sisters of Mercy of the Americas Justice Team
Sisters of St. Francis of Philadelphia
Sisters of St. Joseph of Carondelet, LA
Sisters of St.Dominic of Blauvelt, New York
SLO CLEAN WATER
Small Business Alliance

South Georgia Alliance 85
Southwest Organization for Sustainability
Spirit of the Sun
Stop the Algonquin Pipeline Expansion
Straits Area Concerned Citizens for Peace
Justice and Environment
Sustainable Medina County
System Change Not Climate Change
Taproot Earth
Terra Advocati
The Cornucopia Institute
The Story of Stuff Project
The Water Collaborative of Greater New
Orleans
Title Track
Topanga Peace Alliance
Toxics Information Project (TIP)
Truthseekers - Health Justice
Unite North Metro Denver
United Church of Christ, Detroit
Metropolitan Association Social Justice
Team
United Native Americans
UpRiver
Virginia Community Rights Network
Vitality Massage
Vote Climate
Wall of Women
Water You Fighting For
Waterkeeper Alliance
Waterspirit
We the People of Detroit
WESPAC Foundation, Inc.

West End Revitalization Association
(WERA)
Western Slope Businesses for a Livable
Climate
WildEarth Guardians
Wisdom Institute
Womxn from the Mountain
Working for Racial Equity
Western Slope
Businesses for a Livable Climate
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Wisdom Institute
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Working for Racial Equity