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March 31, 2021

### Expect Significant Investments in Water Infrastructure



Earlier this month, a [report from the American Society of Civil Engineers](#) gave America's infrastructure an overall grade of C-. The nation's water infrastructure fell below that average with a C- for drinking water infrastructure, a D+ for wastewater infrastructure, and a D for stormwater infrastructure. Although these grades represent a modest improvement over the 2017 grades, there is much work to be done.

Climate change makes the investment in water-related infrastructure even more imperative. Changing natural conditions demonstrate the vulnerability of existing infrastructure and the need for resiliency. Drought, floods, fires, warming water temperatures, and other extreme weather patterns are occurring more often, and they present significant challenges to those responsible for providing drinking water and for managing wastewater and stormwater.

At the same time, the negative consequences of the nation's aging water infrastructure are hitting disadvantaged and minority communities particularly hard, as they are disproportionately served by old and deteriorating water supply and treatment systems.

Infrastructure investment is a priority for President Biden. Today, the Biden administration released an outline of its [American Jobs Plan](#), the first part of the president's Build Back Better initiative. It proposes \$2.25 trillion in infrastructure spending over eight years, including more than \$100 billion in spending to ensure clean, safe drinking water. The plan proposes investing in the upgrade and repair of water and sewer systems, replacement of lead service pipes, and integration of water efficiency and recycling programs, as well as the protection and restoration of nature-based infrastructure, including wetlands and watersheds.

Water infrastructure investment is also an important issue before Congress. The following bills have already been introduced and additional legislation is expected:

- The Drinking Water and Wastewater Infrastructure Act of 2021 (S. 914) was introduced on March 23, 2021, by Sen. Tammy Duckworth (D-IL). The Senate Environment and Public Works Committee unanimously approved this \$35 billion bill, which would upgrade the nation's aging drinking and wastewater infrastructure, address the threat of climate change, invest in new technologies, and provide assistance to marginalized communities.
- The Water for Conservation and Farming Act was introduced on March 24, 2021, by Sens. Ron Wyden (D-OR) and Jeff Merkley (D-OR). Among other things, it would create a \$300 million Bureau of Reclamation fund to support water recycling, water-use efficiency and dam safety projects, expand the WaterSMART program, and provide funding for projects that support disadvantaged communities.
- Rep. Peter DeFazio, chair of the House Committee on Transportation and Infrastructure (D-OR), along with Representatives Napolitano (D-CA) and Fitzpatrick (R-PA), are set to introduce the Water Quality Protection and Job Creation Act of 2021, which would authorize \$50 billion in direct infrastructure investment over five years and address local water quality challenges.
- The GREEN Act (H.R. 848) was introduced on February 4, 2021, by Rep. Mike Thompson (D-CA). This bill would amend the Internal Revenue Code to provide incentives for various activities including water conservation and stormwater management.

As these sweeping executive branch and congressional initiatives continue to unfold, and while the federal government, states, cities, water districts and utilities, and private parties contemplate significant investments in water infrastructure, it is important to keep in mind that infrastructure projects face challenges and present opportunities, including the following:

- Water utilities nationwide are implementing an ever-expanding array of effective conservation and management technologies and programs to preserve and extend limited water supplies. There may also be opportunities to enhance natural infrastructure, such as wetlands, forests, estuaries, and barrier islands, to make infrastructure development more efficient and effective.
- Infrastructure projects are often subject to a patchwork of overlapping federal, state, and local permitting requirements. Understanding how these requirements and processes fit together and developing an efficient permitting strategy and timeline is critical.
- Government involvement in infrastructure development usually triggers detailed analysis of potential environmental and environmental justice impacts, possible alternatives, and appropriate mitigation measures. Whether under the National Environmental Policy Act or a similar state statute such as the California Environmental Quality Act, this analysis is often done as part of a public process that involves many stakeholders.
- Environmental justice considerations are more important than ever, with President Biden issuing an executive order requiring a greater focus on the environmental justice implications of all government actions. Federal infrastructure funding will present opportunities to address racial equity issues and assist underserved communities.
- Infrastructure projects may impact tribal interests across the country—especially in the West—and there may be opportunities to partner with tribes on infrastructure development. Project proponents should look ahead and actively engage tribal communities.
- Large infrastructure projects, however necessary and well-designed, create concerns in many quarters—residents concerned about local impacts, organizations concerned about broader policy issues, and watchdog groups concerned about public spending, to name a few. Developing a stakeholder engagement strategy should be a top priority for all projects.

## Authors

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