



## **Improving Health Equity through Water**

### *Policy Opportunities for the Incoming Biden Administration*

Too many of the systems that deliver drinking water and remove wastewater from the homes and businesses of 327 million people are broken. Far too many Americans lack consistent access to affordable and safe water supplies to meet their needs. Far too many Americans distrust their tap water, even when it is safe. Far too many Americans experience sewage overflows, polluted riverfronts, and flooded streets.

An investment of more than \$1 trillion is needed over the next 25 years to maintain and improve the nation's drinking water infrastructure, with billions in additional costs for wastewater treatment upgrades.<sup>1</sup> At present, federal funding from the Clean Water State Revolving Fund and Drinking Water State Revolving Fund (SRF) and loans under the Water Infrastructure Finance and Innovation Act (WIFIA) can only provide about \$200-250 billion of that need. President-elect Biden's priorities on infrastructure investment make an increase in that support likely but important steps are needed to make sure that resources are used to get bigger benefits out of federal programs, especially to lower income, minority, and burdened communities that have seen too little support from past initiatives.

#### **LEAD SERVICE LINE REPLACEMENT**

Best estimates suggest there are more than 9 million toxic lead pipes (service lines) in residential properties across America.<sup>2</sup> It is a rare public health problem that can be eliminated in a generation using existing technology. No 'moonshot' is needed, just well-paid or union jobs replacing old pipes with new ones. A few communities such as Lansing, MI, and Madison and Green Bay in Wisconsin have been able to eliminate all publicly- and privately-owned lead water pipes and other places are working to do so.

**We see three priority actions on toxic lead pipe replacement for the Biden Administration:**

1. EPA must provide clarifying language to primacy agencies in states on financing lead service line removal on private property and should make that financing a priority for SRFs.
2. Chicago has dramatically more lead pipes than any other jurisdiction and needs special assistance to develop a plan to replace those pipes. The scale of Chicago's problem skews perceptions of how hard this problem is to solve.
3. The President should set a national goal to replace lead service lines in 15 years and task EPA and USDA with the development of a plan to achieve that goal.

#### **LEVERAGING SRF AND WIFIA PROGRAMS AT THE STATE LEVEL**

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<sup>1</sup> American Water Works Association. 2012. Buried no longer: Confronting America's water infrastructure challenge. Denver, CO: Author.

<sup>2</sup> Environmental Defense Fund and American University. 2020. Lead Pipes and Environmental Justice: A study of lead pipe replacement in Washington, DC. Accessed at: [https://www.edf.org/sites/default/files/u4296/LeadPipe\\_EnvironJustice\\_AU%20and%20EDF%20Report.pdf](https://www.edf.org/sites/default/files/u4296/LeadPipe_EnvironJustice_AU%20and%20EDF%20Report.pdf)

At present, federal funding from the Clean Water State Revolving Fund and Drinking Water State Revolving Fund (SRF) and loans under the Water Infrastructure Finance and Innovation Act (WIFIA) can provide about \$6-10 billion annually, but far less than that is spent in disadvantaged communities or for utilities that have known drinking water quality violations. Part of the explanation is that communities do not know how to develop eligible, fundable application packages, lack the staff capacity to develop a loan proposal, or are simply unaware of funding. In addition, less than half the states leverage federal SRF money in the bond market (and most of those states still leverage far below the potential), leaving proverbial “money on the table.”<sup>3</sup>

**Recommended Biden Administration priorities:**

- 1) EPA must provide guidance to state agencies such that disadvantaged communities and those experiencing chronic violations are prioritized in the SRF process, not just at the time of application evaluation, but in helping them prepare and submit a loan application in the first place.
- 2) SRF (or other EPA and USDA rural assistance programs) need to expand their eligibilities to allow funds to be used for technical assistance that helps struggling communities get help to develop SRF loan applications and other financing.

**IMPROVING CONSUMER CONFIDENCE REPORTS**

Each year, drinking water utilities are required to distribute a report to their customers with information about water quality, contaminants, violations, and health information for higher-risk populations. Consumer Confidence Reports (CCRs) were mandated as part of the Safe Drinking Water Act through the National Primary Drinking Water Regulation in 1998. However, those reports completely fail to reach consumers because the material presented is extremely technical.

**Recommended Biden Administration priority:**

- 1) In 2018, Congress recognized the inaccessibility of these reports to the general public and directed EPA to increase “the readability, clarity, and under-standability of the information presented in consumer confidence reports; and the accuracy of information presented, and risk communication, in consumer confidence reports.” EPA has already missed the statutory deadline to do so set by Congress. Make completing this regulatory revision a priority and focus the changes on making the reports useful to the average consumer.

**PRIORITIZE UTILITY CONSOLIDATION AND REGIONALIZATION**

There are about 50,000 water systems that serve U.S. residents connected to piped water supply. In contrast, there are around 3,300 electric utilities and 2,600 internet service providers. Nearly 90% of the water utility systems in the United States serve less than 10,000 people and more than half serve less

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<sup>3</sup> Moore, R. 2018. States Need to Go Back to the Well and Leverage SRF Dollars. NRDC Blog. May 15. Accessed at: <https://www.nrdc.org/experts/rob-moore/states-need-go-back-well-and-leverage-srf-dollars>



than 500 people. Such small utilities will always struggle to hire and retain qualified operators and keep up with continually changing water treatment standards. Many experts recognize that substantially more consolidations need to happen to make these utilities sustainable. However, at current rates, it will take approximately 110 years for sufficient utility consolidation to occur to achieve public health goals. Regionalization or sharing services is another strategy to create local capacity across smaller utilities but EPA has no formal mechanism to record these sharing arrangements between utilities nor does it report any data on the level of consolidation or regionalization among a set of utilities in any particular region or state.

**Recommended Biden Administration priorities:**

- 1) The planned Water System Restructuring Rule mandated under the America's Water Infrastructure Act of 2018 is an ideal mechanism for requiring such information be provided by utilities and state agencies to the EPA. However, that rule should also take more significant action to direct the circumstances in which states need to encourage or mandate consolidation, for example, when utilities are consistently seeing water quality violations year after year.
- 2) Consolidation support should be a priority for the SRFs at a national level, as it already is for states like Mississippi.

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**<http://policyinnovation.org/water>**

**[Water Data Prize](#) is open for submissions until **Dec 1, 2020****