LEGISLATIVE POSITION PAPER

CREATION OF CLEAN WATER TRUST FUND

BACKGROUND

The nation’s infrastructure is on the brink of a disaster from aging systems, deferred maintenance and upgrades. According to the U.S. EPA, the United States has an investment gap estimated at $450 billion to $600 billion over the next 20 years for safe drinking water and wastewater treatment infrastructure. A 2005 poll showed that 86 percent of American’s support legislation by the U.S. Congress that would create a long-term, sustainable and reliable federal trust fund for clean and safe drinking water infrastructure.

Precedent Exists. At the federal level, trust funds are widely used to tackle problems too big for states to handle alone. These trust funds help ensure funding for other critical projects, including highways, airports, harbor maintenance, even oil spill cleanup. Currently running pilot clean water trust funds have also gained measured success in the areas where they have been implemented.

Stable, Sustainable Funding Source Needed. We need a dedicated, stable source of funding for our nation’s water infrastructure needs that is free from political interference and partisan squabbles. The fund would be budget neutral and will not increase our national debt, as it would be responsible for its own revenue generation. The sooner water is depoliticized, the sooner we can ensure access to this critical resource for all Americans.

Financed by User Fees. The Trust Fund would be financed broadly by small user fees on goods that depend on municipal water supplies, such as water-based bottled beverages and flushable products that are disposed in and treated by municipal water systems. These fees will occur at the manufacturer level to minimize any impact on taxpayers. Additional miniscule fees on pharmaceuticals, over-the-counter drugs and a small corporate fee based on the “Superfund” will create a long-term, sustainable source of revenue to ensure economic prosperity and protect the health of people and the environment.

Uses Proven Existing Program. Funds will be distributed through a combination of grants and loans using existing programs with successful track records. Over 85 percent of these funds will be administered by states through the Clean and Safe Drinking Water State Revolving Loan Fund programs, which will continue to capitalize. Additional funds will be directed to Combined Sewer Overflow programs, Agricultural Nonpoint Source Pollution Remediation and Rural Community Water Infrastructure Assistance.

CAWV POSITION

The CAWV respectfully requests that West Virginia’s Congressional delegation support a dedicated, stable source of funding for our nation’s water infrastructure needs.

ISSUE

West Virginia has a nearly $3 billion water and sanitary wastewater need. Not only is this a health hazard, it hurts the state’s ability to attract economic development opportunities to many parts of West Virginia.

With annual appropriations for the Clean Water and Safe Drinking Water State Revolving Loan Fund (SRF) programs diminishing year after year, CAWV supports creation of a long-term, sustainable, off-budget source of funding for water infrastructure such as a trust fund.

CAWV Congressional Fly-In, May 25, 2011