

To: Honorable Amy Sheldon, Chair
House Committee on Natural Resources, Fish, and Wildlife

Dear Chair Sheldon,

I apologize for the delay of this email but I am just getting caught up on the Committee recordings from last week. I was very interested to hear the Committee's discussion on the lack of state ARPA funding for current water and sewer infrastructure needs. We have been asking similar questions for the past year. I have yet to receive a response to why the state is providing funds to build new systems when the majority of our existing drinking water and wastewater systems are crumbling. The workforce shortages and regulatory challenges are overwhelming, yet we are asking our operators to continue to do more with less. Many systems are already struggling to make loan payments. Our members are hearing there are once-in-a-lifetime funding opportunities while at the same time being asked to apply band-aids to failing treatment facilities that could turn into significant public health issues.

We have been advocating on behalf of our members and continue to work with many non-profit systems and fire districts who won't be receiving local funding through ARPA. There are over 400 community drinking water systems in the state and only about 20% of those community systems are owned by a town or city. Fire districts are eligible to receive a transfer or sub-grant of local ARPA funds, but from what we have heard, very few towns are willing to share that money. This is very disappointing since approximately two-thirds of the 75 fire districts in the state are the "primary" drinking water provider in the town (i.e., there is no town-owned system serving schools, businesses, and dense residential areas).

As was mentioned during the Committee meetings, the Infrastructure Investment and Jobs Act (IIJA) will also provide an injection of infrastructure funding. EPA is still developing guidance but grant funding is likely to cap out at less than 50%. For the majority of our small, rural water and wastewater systems, 50% grant funding is not enough. The initial process of putting together a loan or grant application is overwhelming and expensive. The remainder of project costs will fall to their customers, many of whom are already financially strained. In somewhere like Bloomfield, 19 customers have to support operating and maintenance and repair costs for the entire municipal drinking water system.

I appreciate your attention to these issues and ask you to continue the conversation to increase state ARPA funding that can be used to meet the infrastructure repair and improvement needs of existing water and wastewater systems. I would be happy to discuss further at any time.

Thank you,
Liz Royer