



BUILDING AMERICA BETTER

2025 Legislative Briefing

An aerial night photograph of the United States Capitol building in Washington, D.C. The building is illuminated from within, casting a warm glow. The entire scene is covered in a thick layer of snow, including the lawns, walkways, and surrounding city streets. Bare trees are scattered throughout the landscape. In the background, the city lights of Washington, D.C. are visible under a dark night sky. The text "What's New In Washington?" is overlaid in the center of the image.

What's New In Washington?

President Trump's 100 Days Agenda (Take Two) and the 119th Congress

► Opportunities

- Regulatory reform
- Permitting reform
 - Manufacturing facilities and processes
 - Streamlining project approval?
- Business and Labor issues

► Legislative Agenda

- Reconciliation
 - Tax Cuts and Jobs Act reauthorization - R&D tax credit, bonus depreciation, interest deductibility
- Another infrastructure bill?
- Workforce development?





2025 Summit Agenda

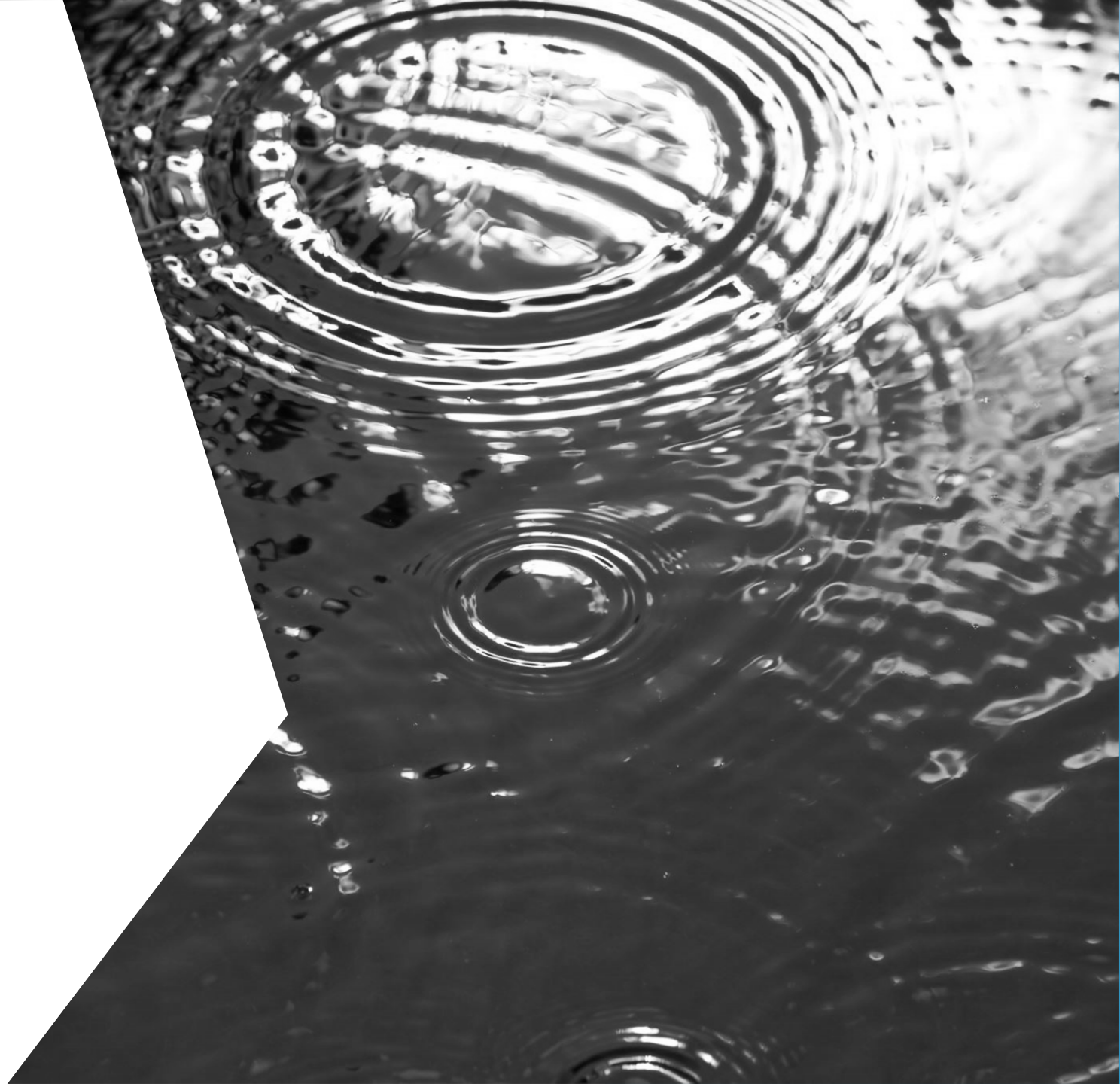
- ▶ **Ask #1:** Fully fund water infrastructure programs; reauthorize the SRFs and other water infrastructure programs at-or-above IIJA-levels through FY 2031
- ▶ **Ask #2:** Support programs that will help meet workforce demands of the water/wastewater distribution, manufacturing, and construction industries.
- ▶ **Ask #3:** Streamline and reform federal administrative, regulatory, and permitting requirements for water infrastructure



Legislation of Interest

- ▶ FY 2026 Interior-Environment Appropriations Bill (Unwritten)
- ▶ SRF Reauthorization Bill (Unwritten)
 - ▶ Highway Bill Reauthorization
- ▶ Reauthorization of Workforce Innovation and Opportunity Act (“A Stronger Workforce for America Act,” H.R. 6655, 118th Congress)
- ▶ Jumpstart Our Businesses By Supporting Students (JOBS) Act of 2025 (S. 383)

Ask 1: Water Infrastructure Funding



America's Water Infrastructure Needs

- ▶ **America loses trillions of gallons of water a year from outdated infrastructure**
- ▶ **The 2025 ASCE Infrastructure Report Card gives the United States a C- in Drinking Water, a D+ in Wastewater, and a D in Stormwater Infrastructure - unchanged from 2021 report!**
- ▶ **Drinking Water Needs Estimate (EPA) - More than \$625 billion over 20 years**
- ▶ **Clean Water Needs Estimate (EPA) - More than \$630.1 billion over 20 years**
- ▶ **ANNUAL WATER INFRASTRUCTURE ALLOCATION FOR FY 2025**
 - ▶ **Drinking Water State Revolving Fund (BIL Supplemental) - \$2.603 Billion + \$3 Billion for Lead Service Line Replacement + \$800 Million for Emerging Contaminants**
 - ▶ **Clean Water State Revolving Fund - \$2.603 Billion + \$225 Million for Emerging Contaminants**

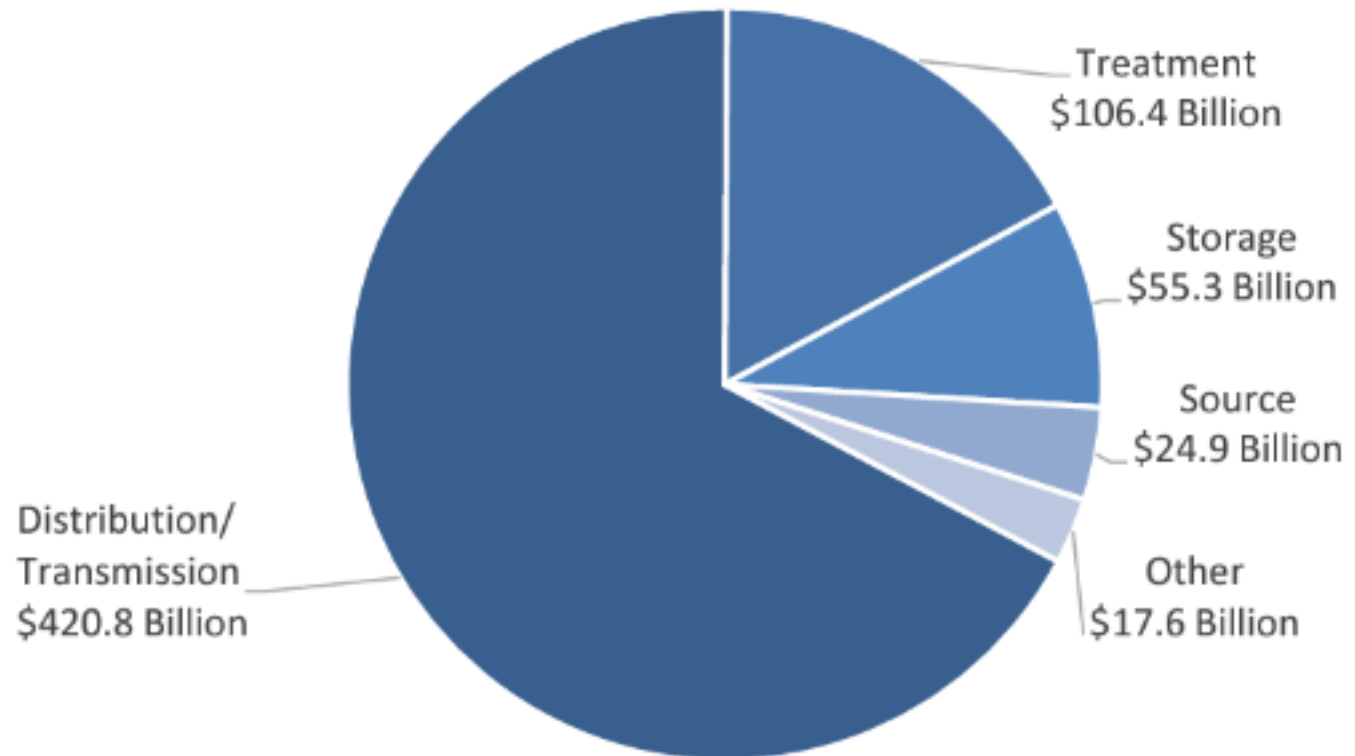
EPA Drinking Water Needs Survey and Assessment (DWINSA)

- ▶ Estimated 20 year needs are at least \$625 billion
- ▶ 20-year national drinking water infrastructure needs are up 32% from 2018
- ▶ 8th DWINSA Announced

Exhibit 1: Total 20-year Need by System Size/Type (January 2021 dollars)

Size of System	Estimated Need	Percent of Need (%)
Small ≤3,000	\$100,103,837,670	16%
Medium 3,001 – 100,000	\$273,124,224,526	44%
Large ≥100,001	\$235,165,159,024	37%
NPNCWS	\$16,597,738,681	3%
Total State Need	\$624,990,959,901	100%

Exhibit 2: Total 20-year Need by Infrastructure Project Category (in billions; January 2021 dollars)



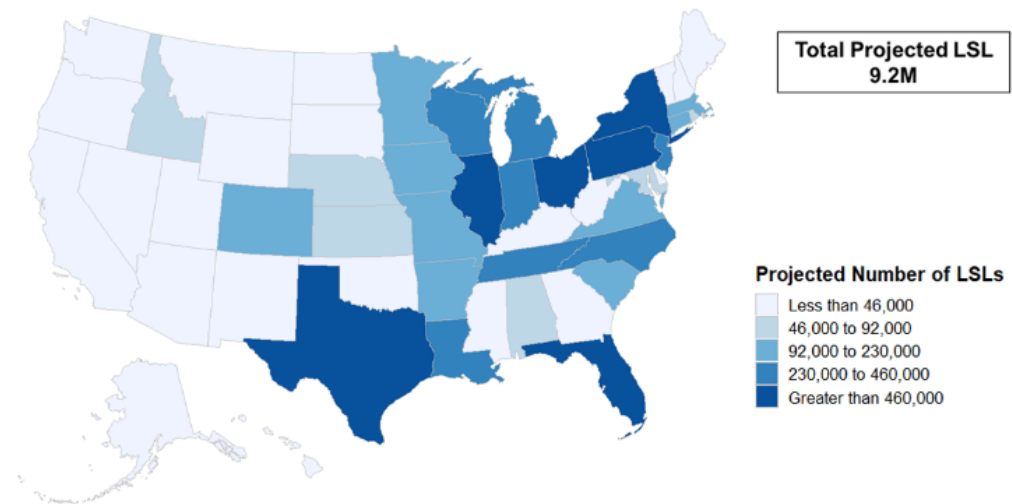
Lead Service Line Replacement

- ▶ EPA 7th DWINSA first ever full EPA survey of lead service lines in the United States
 - ▶ Total projected LSL is 9.2 million - higher end of previous estimates
 - ▶ Problems with Texas, Florida data - potentially misallocated millions in funding
- ▶ EPA Lead and Copper Rule - targeting total replacement within 10 years of date of effect (by 2037) finalized in October 2024
- ▶ Underfunded mandate - Industry estimated replacement costs are \$45 billion or more
 - ▶ Dedicated IIJA investment of \$15 billion
 - ▶ AWWA, others challenging rule
- ▶ Future of the rule under 2nd Trump Administration?
 - ▶ EPA has requested 60 day pause on AWWA legal proceedings challenging rule to review
 - ▶ Congressional Review Act resolution introduced to repeal, return to Trump-era updated rule (3%/year replacement rate)

Exhibit 4: National Projected Service Lines by Material

Service Line Material	Projected Count
Lead Content	9,223,745
Stand-Alone Galvanized	2,800,839
No-Lead Content	87,929,975
National Total Service Lines	99,949,560

Exhibit 5: Projected Number of Lead Services Lines by State



National Clean Water Needs (2022 EPA CWNS)

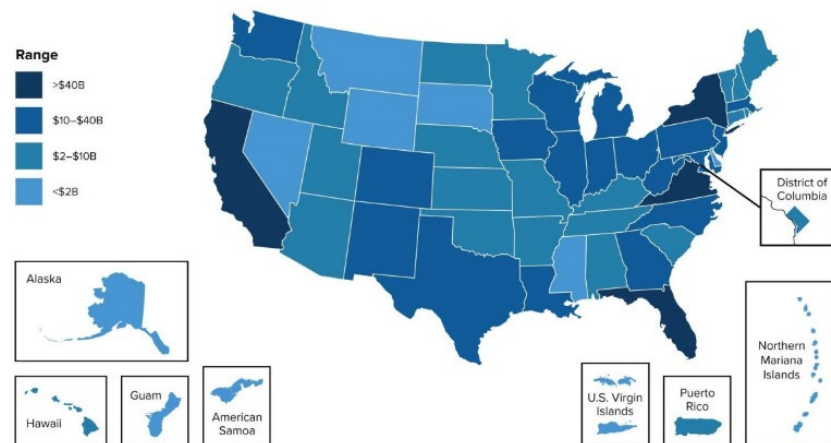


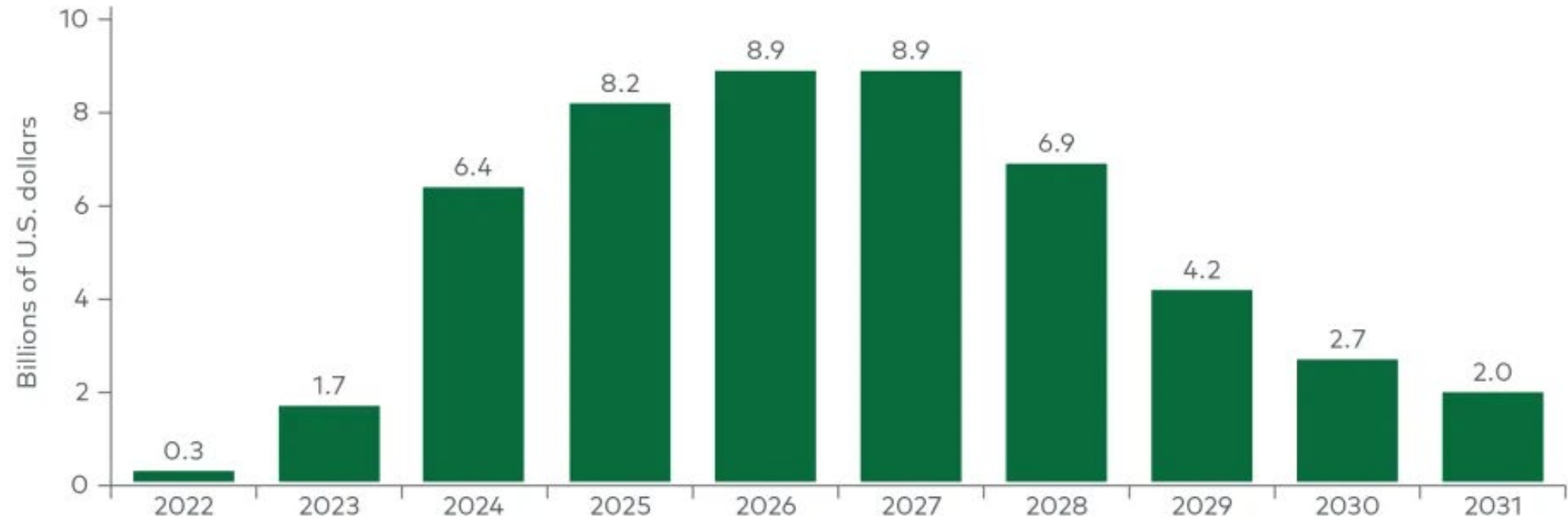
Figure 1. Distribution of total reported needs by state (January 2022 dollars in billions).

NATIONAL AND STATE NEEDS

The total nationwide reported needs are \$630.1 billion as of January 1, 2022. Figure 1 displays the geographic distribution of the total reported needs by state. Six states - New York, California, Florida, Virginia, Louisiana, and Georgia - accounted for 42 percent of the nationwide needs. On a per capita basis, the Northern Mariana Islands (\$7,203), West Virginia (\$6,182), and New Mexico (\$5,799) have the three highest needs.

Available State Revolving Fund (SRF) Funding in the BIL

Appropriation	FY 2022 (\$)	FY 2023 (\$)	FY 2024 (\$)	FY 2025 (\$)	FY 2026 (\$)	Five Year Total (\$)
CWSRF General Supplemental	1,902,000,000	2,202,000,000	2,403,000,000	2,603,000,000	2,603,000,000	11,713,000,000
CWSRF Emerging Contaminants	100,000,000	225,000,000	225,000,000	225,000,000	225,000,000	1,000,000,000
DWSRF General Supplemental	1,902,000,000	2,202,000,000	2,403,000,000	2,603,000,000	2,603,000,000	11,713,000,000
DWSRF Emerging Contaminants	800,000,000	800,000,000	800,000,000	800,000,000	800,000,000	4,000,000,000
DWSRF Lead Service Line Replacement	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000	15,000,000,000



Note: IIJA=Infrastructure Investment and Jobs Act
Source: Congressional Budget Office; L.E.K. research and analysis

IIJA-related water outlays (2022-2031)

Highway Bill - a Chance for IIJA 2.0?

- ▶ Funding and authorization for federal surface transportation programs and spending
- ▶ Largest single portion of IIJA (\$643 billion - significant increase from \$305 billion FAST Act)
- ▶ Authorization expires FY2026 - **opportunity to move SRF, other infrastructure programs alongside this “must-pass” bill**
- ▶ Industry priorities include:
 - ▶ Full funding for essential programs
 - ▶ Grow and stabilize Highway Trust Fund revenues (EV “free rider” problem)
 - ▶ Roadway Construction Safety
 - ▶ Permit Reform and Regulatory/Process Streamlining
 - ▶ Improve Available Financing Tools (PABs)
 - ▶ Clarity on Buy America requirements - create agency-curated list of compliant products



Federal Demands Outweigh Federal Investment

- ▶ Federal spending on water infrastructure prior to IIJA amounted to just 4% in 2017, down from 31% in 1977
 - ▶ Expected to rise to roughly 7% by 2028
- ▶ Congress failed to fully fund some IIJA-authorized programs in FY 2022, FY 2023, and FY 2024
- ▶ Congressional SRF funding increasingly diverted to earmarks for specific projects (FY23 - FY24)
- ▶ FY2025 appropriations process - earmarks **removed** from Continuing Resolution
 - ▶ Expected to return in FY 2026 appropriations!
- ▶ Cost of compliance continues to rise
 - ▶ Lead and Copper Rule, Emerging Contaminants (PFAS/PFOA)
- ▶ **State Revolving Fund Reauthorization in 2026 is a TOP priority**

Supporting the future of America's Water Infrastructure

- ▶ **WASDA ASK:** Fully fund water infrastructure programs including but not limited to the Drinking Water and Clean Water State Revolving Funds (SRF) and the Water Infrastructure Finance and Innovation Act (WIFIA) at or above the levels authorized in IIJA and provide funding to other IIJA water programs that have yet to receive appropriations.
- ▶ **WASDA ASK:** End practice of taking earmarks from SRF funding - community projects should be supplemental to SRF appropriations

A photograph of a clear plastic bottle floating on a dark, calm body of water. The bottle is partially submerged, and its reflection is visible on the water's surface. Concentric ripples emanate from the point where the bottle enters the water. The background is a deep, dark blue, suggesting a clear sky or deep water.

Issue Discussion - Water Infrastructure Needs

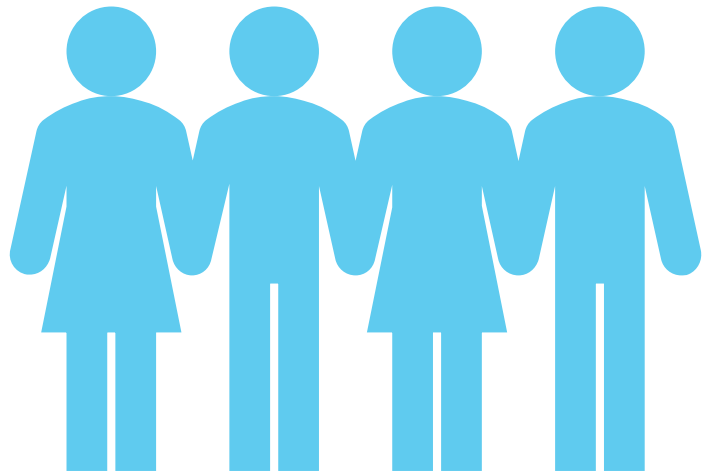
Ask 2: Workforce Development

Workforce Development Needs are Rising

- ▶ An estimated 439,000 additional employees will be needed across the construction industry in 2025
 - ▶ Additional 499,000 needed in 2026 as construction activity ramps up - assuming economy stays on track
- ▶ Nearly 80% of commercial construction contractors have reported a moderate to high level of difficulty in finding skilled employees
- ▶ As many as 2.1 million manufacturing jobs may go unfilled by 2030 - an economic cost of potentially \$1 trillion in 2030 alone.
- ▶ One-third to half of the water sector workforce is eligible to retire within the next 10 years.

Developing the Future of America's Water Infrastructure Workforce

- ▶ **WASDA ASK:** Pass the below WASDA-Supported Legislation, and consider other options to support development of America's water infrastructure workforce
 - ▶ A Stronger Workforce for America Act (H.R. 6655, 118th Congress) , which reauthorizes the Workforce Innovation and Opportunity Act (WIOA) to support technical/vocational education programs and institutions
 - ▶ JOBS Act (S.383) to expand Pell Grant eligibility to qualified short-term workforce development programs
- ▶ **WASDA ASK:** Provide additional funds to EPA Innovative Water Infrastructure Workforce Development Grant Program



Issue Discussion: Workforce Development Needs

Streamlining Federal Water Infrastructure Programs

Regulatory, Administrative, and Permitting Reform

Permitting Reform

- ▶ Since the Fiscal Responsibility Act of 2023 (FRA), the average time to complete an environmental impact statement (EIS) required under the National Environmental Policy Act (NEPA) is 2.2 years. 61% of EIS completed since the FRA went into effect have failed to meet the statutory two-year deadline.
- ▶ Permitting delays and inconsistent federal policy create uncertainty - driving up cost of projects
 - ▶ Waters of the United States (WOTUS) definitions
- ▶ Executive Orders on Permitting Reform
- ▶ **WASDA Ask:** Prioritize passage of a broad permitting reform package to clarify and codify recent changes to critical definitions (WOTUS) and reforms and streamline NEPA and National Pollutant Discharge Elimination System (NPDES) permit processes and timelines

SRF Administrative Requirements Continue to Grow

- ▶ Issues identified with 2022 Bipartisan Infrastructure Law Implementation Memorandum
 - ▶ Superseding memo in process at EPA Office of Water - delaying announcement of final SRF allotments for the fiscal year
 - ▶ Federal requirements reduce flexibility of programs - including federal mandates on SRF loans made with 100% state funds
- ▶ Standardization and streamlining of SRF programs would improve efficiency, reduce cost of SRF-funded projects
 - ▶ Example - Clean Water SRF has a national programmatic agreement with the National Register of Historic Places; Drinking Water SRF does not
 - ▶ Cost and difficulty of compliance with federal mandates reduces ability of smaller communities to engage with SRF program
- ▶ **WASDA Ask:** Congress should instruct the EPA to review SRF regulatory and administrative and policies that lack a statutory basis for possible removal, and particularly those required for SRF loans made using solely state funds, to bring down costs and return flexibility to state programs.

EPA - BABA Guidance and Implementation

- ▶ EPA Office of Water continues to request information from manufacturers, distributors, and contractors about product availability, but issues with waiver process persist
 - ▶ Inconsistencies between programs
- ▶ **WASDA ASK:** Congress should instruct the EPA to create and regularly update a listing of BA-compliant items, in collaboration with state agencies, industry, distributors, and manufacturers, and include requirements for expeditious, transparent protocol for targeted, short-term waivers.
- ▶ **Remind Congress:** WASDA members are available to provide information on materials availability and the state of the supply chain.



Issue Discussion: Permitting and ▶ Regulatory Reform

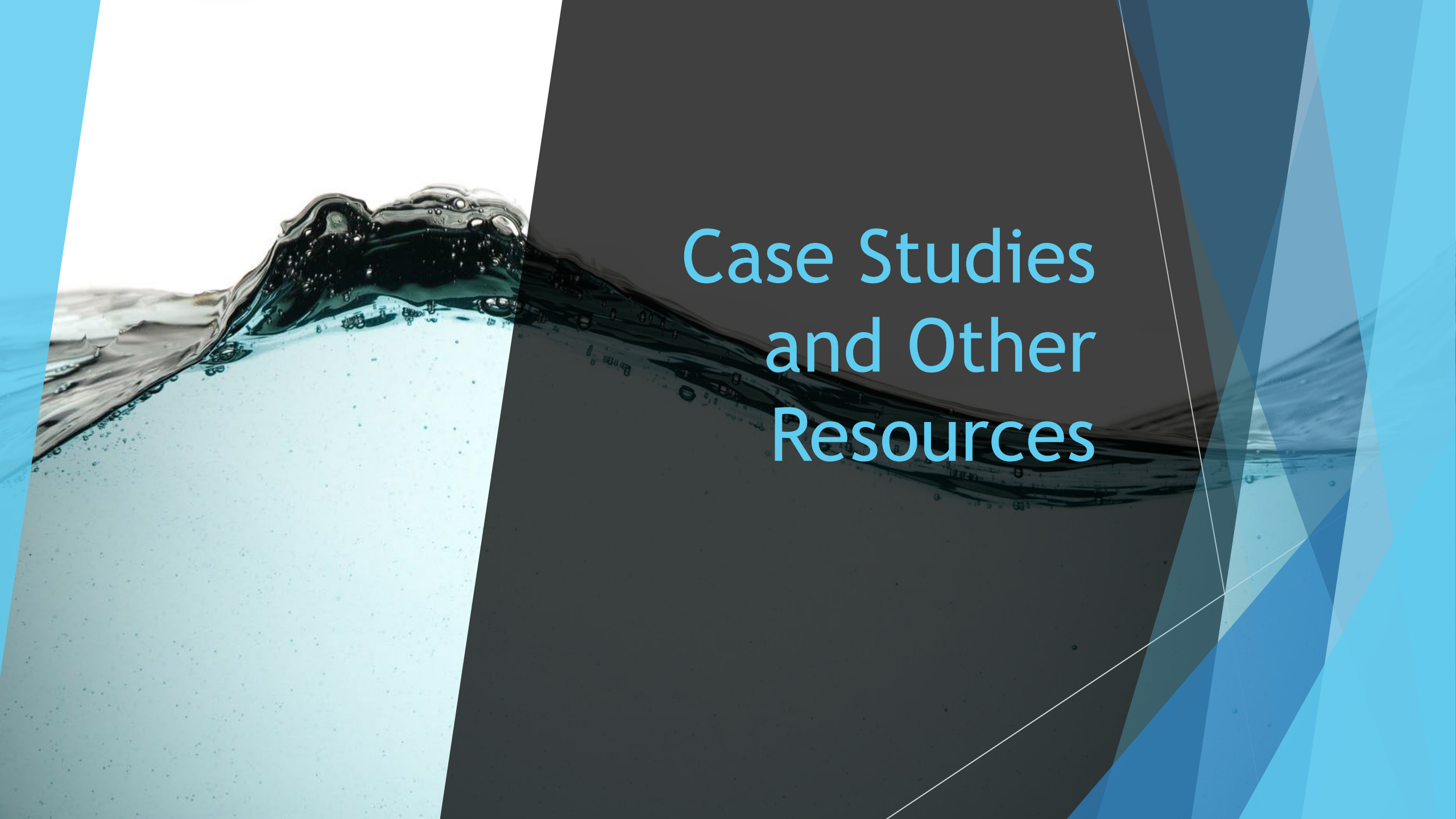
Other Issues - This Week on Capitol Hill and Beyond

- ▶ Reconciliation
 - ▶ Reauthorization of the 2017 Tax Cuts and Jobs Act
 - ▶ R&D Tax Credit
 - ▶ Interest Deductibility
 - ▶ Bonus Depreciation
 - ▶ At risk - municipal bond tax exemptions?
- ▶ Other topics?

WASDA on Capitol Hill

Tips for a Successful Meeting

- ▶ **DO** Tell Your Story
- ▶ **DON'T** just read from a script
- ▶ **DO** use the talking points and fact sheets as a starting point for your conversations
- ▶ **DO** talk about why WASDA's stances on policy issues helps your business and community
- ▶ **DON'T** try to answer questions you don't know how to answer
- ▶ **DO** look for opportunities to follow up after the meeting

The background features a dynamic water splash on the left side, with droplets and ripples visible. The rest of the background is composed of overlapping, semi-transparent geometric shapes in various shades of blue and teal, creating a modern, abstract design. A dark grey diagonal band runs across the center, serving as a backdrop for the text.

Case Studies and Other Resources

Overview of Leave-Behind Materials

▶ WASDA Fact Sheets

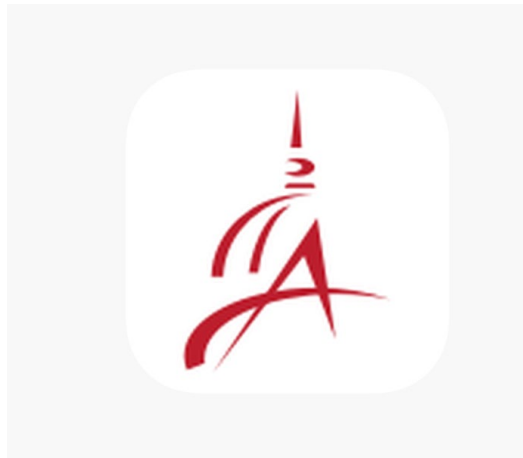
- ▶ About WASDA
- ▶ Funding for Water Infrastructure
- ▶ Workforce Development
- ▶ Build America, Buy America Act
- ▶ 2025 WASDA Washington Summit Talking Points

▶ Business Cards

- ▶ Zack Perconti, WASDA Director of Government Affairs
- ▶ **Add at least one business card from your group as well!**

▶ Supplementary Materials

- ▶ Be careful not to accidentally leave behind your toolkit materials!



AdvocacyDay App Overview

Schedule and Logistics

- ▶ All Event Information, Meetings, Talking Points, etc. available at through main toolkit (emailed to all attendees)
- ▶ “Home Base” on the Hill
 - ▶ House - Longworth Cafeteria
 - ▶ Senate - Dirksen Cafeteria/Coffee Shop
 - ▶ WASDA staff and members can be found here throughout the day when not in meetings
 - ▶ Zack Perconti - 703-677-6049
- ▶ Drink plenty of water and wear comfortable shoes - forecast expected to be hot!
 - ▶ Hotel is quick walk to Senate office buildings, short cab ride to House office buildings
 - ▶ It takes around 10 minutes to walk across the Capitol complex - recommend politely asking staff to escort underneath Capitol Building if going directly from a Senate meeting to the House, or vice versa.
- ▶ **Post-Summit Debrief: 4:30 - 5:30 PM, Monocle Restaurant (107 D St NE)**
- ▶ **Reception to follow: 5:30 - 8:30 PM, Monocle Restaurant**

The background is a solid teal color. It features several decorative elements: white polka dots arranged in organic, cloud-like shapes in the top-left, top-center, and bottom-left areas; and solid teal organic shapes in the top-right and bottom-left corners.

Questions?



wasda



WASHINGTON



SUMMIT

2025

BUILDING AMERICA BETTER