

June 23, 2021

The Honorable Frank Pallone
Chairman, Committee on Energy and Commerce
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Pallone,

The National Utility Contractors Association (NUCA) represents construction contractors, manufacturers, and distributors who build and maintain a wide range of our nation's infrastructure. Member companies provide the manpower and equipment needed to build, repair, and maintain the infrastructure needed for drinking water and wastewater, stormwater, gas distribution, broadband, and the electric grid as well as the nation's surface transportation system.

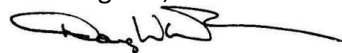
Our nation's underground water and sewer infrastructure ensures that Americans have access to clean drinking water and safe sanitary wastewater systems, provides businesses with the resources they need to keep our economy moving, and protects our nation's waterways, beaches, and a range of recreational opportunities. Taken together, well-functioning infrastructure is indispensable to the health of our country. However, as drinking water systems continue to age and the costs of compliance with environmental requirements mount, communities face increasing difficulties in paying for needed infrastructure improvements. The Environmental Protection Agency's (EPA) most recent assessment found that \$473 billion will be needed to maintain and replace our aging drinking water infrastructure. If Congress does not act, that figure could become much higher – as contractors can attest, the cost of emergency repairs can be three-to-ten times higher than scheduled replacement. Yet as the costs of these repairs mount, federal spending has fallen in recent years to just nine percent of all spending on drinking utility infrastructure.

To that end, NUCA strongly supports H.R. 3291, the Assistance, Quality, and Affordability (AQUA) Act of 2021, and applauds the proposed \$53 billion reauthorization of the Drinking Water State Revolving Fund (DW SRF). NUCA also specifically applauds the proposed \$45 billion program of lead service line replacement, and our members look forward to doing their part to replace all of the estimated 6.1 million lead service lines currently in use in the United States.

In addition to traditional public funding, NUCA continues to support innovative solutions to the funding shortfall facing America's drinking water infrastructure. Congress should consider measures that would open the door for more private sector investment through innovative financing such as lifting the cap on exempt facility bonds (also known as private activity bonds) for these infrastructure projects.

Again, we thank you for your leadership in advancing this important legislation at a time when our nation's water infrastructure is more in need of overhaul than ever. Thank you for your consideration.

Best Regards,



Doug Carlson
Chief Executive Officer