

# Support the Sustainable Water Infrastructure Investment Act, H.R. 1802

From: The Honorable Bill Pascrell, Jr.  
Sent By: [Keith.Castaldo@mail.house.gov](mailto:Keith.Castaldo@mail.house.gov)  
Bill: H.R. 1802  
Date: 6/28/2011

## Support the Sustainable Water Infrastructure Investment Act, H.R. 1802

**Endorsed by: The U.S. Conference of Mayors, The U.S. Chamber of Commerce; The International Union of Operating Engineers, AWWA, NAWC and over sixty other organizations interested in cost-effective and sustainable water and wastewater infrastructure.**

June 28, 2011

Dear Colleague:

Cities, towns, and utilities across the country are facing a major challenge in replacing their aging and worn out water infrastructure. The Government Accountability Office, Environmental Protection Agency and others have estimated that it will take \$500 billion to replace and upgrade our water and wastewater infrastructure over the next 20 years. And due to budget constraints, States and local governments can no longer rely on the Federal government to help fund those projects through grants and loans. It is clear that the private-sector can play a larger role in the financing of our water systems.

Private Activity Bonds (PABs) are the best method of providing a way to pump billions of dollars of private capital into public water infrastructure projects, while shifting the economic risk away from the municipality and towards the private sector. PABs have already proven to be an important mechanism for municipalities to finance projects such as airports, high-speed intercity rail, and solid waste sites. With greater access to PABs for water and waste water projects, public-private partnerships will help municipalities greatly reduce the cost of upgrading water and wastewater infrastructure.

To that end, we urge you to cosponsor the bipartisan **Sustainable Water Infrastructure Investment Act of 2011 (SWIIA), H.R.1802**. This legislation will provide parity for waste water and water infrastructure projects funded with PABs by removing the cap on the amount that municipalities can issue. This access to new private capital will aid municipalities in the challenge to replace and upgrade water infrastructure. Senator Menendez and Senator Crapo have introduced companion legislation (**S. 939**) in the Senate.

Depending on the project, bringing water projects out from under the PAB volume cap will:

- Make this form of financing more readily available to help all utilities meet the challenge of infrastructure replacement;
- Help lower the cost of project financing, which will assist in controlling water rates;
- Free the municipal partner from limitations on tax-exempt financing put in place in IRS “Revenue Procedure 97-13”;
- Have no adverse effect on a municipality’s tax-exempt bond rating, freeing up traditional tax exempt municipal bonds for other uses; and
- Facilitate more multi-year water projects.

It is estimated that uncapping the volume cap will support over 1.4 million U.S. jobs.

If you would like to co-sponsor H.R. 1802 or need more information, please contact Keith Castaldo (Rep. Pascrell) at 5-5751 or [Keith.Castaldo@mail.house.gov](mailto:Keith.Castaldo@mail.house.gov) or Jim Swift (Rep. Davis) at 5-3465 or [Jim.Swift@mail.house.gov](mailto:Jim.Swift@mail.house.gov).

Sincerely,

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Bill Pascrell, Jr.

Member of Congress

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Geoff Davis

Member of Congress