WATER ENVIRONMENT FEDERATION

Title: Water Infrastructure Funding Position Statement

Date of Approval: February 11, 2021 Date of Expiration: February 11, 2026

BACKGROUND

To adequately and effectively address current and anticipated global water challenges, the water sector needs increased and more reliable funding and financing for wastewater, drinking water, water reuse, and stormwater infrastructure. The effects of the current shortage of available funding for replacement of aging water infrastructure and technology innovations are well documented and reported. Without significant funding increases, there will be long-term harm to public health, environmental protection, social equity, and economic growth in communities. Historically underserved communities, such as tribal, rural, and inner-city communities, have been most severely harmed by underfunding. In most countries, replacing aging infrastructure and meeting new regulatory requirements create the majority of the water infrastructure funding and financing gap. Local rate payers shoulder most of these investment costs, but many communities lack sufficient capital resources to meet their needs and are struggling with affordability, environmental and social equity, and climate change resilience challenges.

ALIGNMENT WITH WEF'S MISSION AND CRITICAL OBJECTIVES

Since 1928, the mission of WEF and its members has been to protect public health and the environment. This position statement is consistent with our mission and the following critical objectives:

<u>3c</u> - Generate an increased public awareness of the value of water leading to increased funding to protect water quality through appropriate levels of infrastructure, management approaches, and services.

<u>4c</u> - Establish the conditions that promote accelerated development and implementation of innovative technologies and approaches in the water sector.

POSITION

The water sector needs increased and more reliable funding and financing of water infrastructure to close the infrastructure funding gap and address such priorities as aging infrastructure and technology innovation to meet changing regulations. Governments and stakeholders at all levels must be engaged in addressing the water infrastructure funding and financing gap. WEF supports the following:

- National governments should substantially increase direct funding and financing assistance for water infrastructure and expand how existing funding mechanisms are used to support the nation's water infrastructure priorities.
- State or provincial governments should take full advantage of the funding resources made available through federal sources to increase funding available for utilities.
- National and state or provincial governments should provide regulatory flexibility and technical cooperation necessary to facilitate innovative infrastructure financing approaches by local authorities.
- All levels of government (national, state/provincial, and local) and stakeholders should increase their understanding, exploration, and use of innovative water infrastructure funding and financing approaches.
- Funds collected from water utility rate payers should be preserved for local water infrastructure investments.