Hidden Consequences/How Congressionally Directed Spending Impacts State Drinking Water Programs: Association of State Drinking Water Administrators Report

Walter Wright, Jr.
wwright@mwlaw.com
(501) 688.8839

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The Association of State Drinking Water Administrators ("ASDWA") issued a December 2023 report titled:

Hidden Consequences – How Congressionally Directed Spending Impacts State Drinking Water Programs ("Report")

ASDWA describes its members as the:

. . . drinking water program administrators in the 50 states, five territories, the Navajo Nation, and the District of Columbia.

The genesis of the *Report* is discussions with ASDWA's members. The discussion is stated to have highlighted a need to understand how dependent the state agencies are on the Drinking Water State Revolving Fund ("DWSRF") set-asides.

The DWSRF provides funding for water systems in the states. However, it is directly impacted by the use of "Congressionally Directed Spending." This phrase is also known as "earmarks."

The *Report* notes that funding for Congressionally Directed Spending projects originates from DWSRF capitalization grants. It bypasses state programs and is sent directly to the communities through grants.

The *Report* expresses concern that these actions reduce the overall funding available to states to support construction projects and set-asides.

The importance of DWSRF is the fact that they are of significant benefit to small, rural water systems and disadvantaged communities. Concern is expressed that if reductions in funding continue this can threaten the ability of some states to maintain primary enforcement authority to implement the Safe Drinking Water Act. For example, the *Report* states that between fiscal years 2022 and 2023 $1,007,021,093 was diverted from the DWSRF and used for Congressionally Directed Spending projects. This is stated to have decreased the total capitalization grants for the DWSRF program by nearly 45 percent.

In preparing the *Report,* ASDWA states it sent a survey to all 50 states asking for their view on the impacts of Congressionally Directed Spending projects on their drinking water programs. Results are outlined in the *Report*.

Overall conclusion from the survey include:

- A lack of funding could lead to adverse public health consequences.
- Longstanding programs in place to assist water systems are at risk of disappearing.
- Congressionally Directed Spending take away from the "revolving" funding for future water infrastructure projects.
- Congressionally Directed Spending projects bypass established project ranking processes and take funding away from more "disadvantaged communities." Projects.

Components of the *Report* include:

- History of the Drinking Water State Revolving Fund
- The Problem: the Impacts of Congressionally Directed Spending Projects on State Drinking Water Programs
- ASDWA's Survey to Members
- Impacts to State Drinking Water Programs

A copy of the *Report* can be downloaded here.