



August 30, 2018

The Honorable Bill Shuster
Transportation & Infrastructure Committee
U.S. House of Representatives
2165 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Peter A. DeFazio
Transportation & Infrastructure Committee
U.S. House of Representatives
2165 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Shuster and Ranking Member DeFazio:

The Council of Infrastructure Financing Authorities fully supports the “Securing Required Funding for Water Infrastructure Now Act” (SRF WIN).

CIFA is a national not-for-profit organization that represents the interests of state government agencies and financing authorities who are responsible for managing the Clean Water and Drinking Water State Revolving Funds (SRFs). The SRFs are state-federal partnerships that provide communities with low-cost financing for water infrastructure that protects public health and the environment. Over the last three decades, the programs, combined, have generated an investment of more than \$150 billion in water, wastewater, recycled water, stormwater and green infrastructure to protect public health and the environment.

SRF WIN expands access to low-cost financing for State Revolving Funds (SRFs), which will allow states to fund more critical water infrastructure projects with current appropriation levels. Additionally, SRF WIN eliminates fees, reduces red-tape, and prevents needless duplication which can drive up the cost of water projects. Attached is more detailed description of the valuable benefits that SRF WIN provisions will provide to state revolving loan programs.

Thank you again for your support of the Drinking Water and Clean Water State Revolving Funds. If you have questions, please contact our Executive Director, Deirdre Finn, at dfinn@cifanet.org or 850-445-9619.

Sincerely,

Jeff Freeman
Executive Director, Minnesota Public Facilities Authority
President, Council of Infrastructure Financing Authorities



America's Water Infrastructure Act of 2018 (S. 2800)

Securing Required Funding for Water Infrastructure Now Act (SRF WIN) Provisions

The Clean Water and Drinking Water State Revolving Funds (SRFs) are successful, proven state-federal partnerships that fund critical water infrastructure projects to protect the public health and the environment. America's Water Infrastructure Act 2018 includes provisions, SRF WIN, that provide a streamlined path for the SRFs to access WIFIA financing which will allow the SRFs to fund more projects and increase our overall investment in critical water infrastructure.

SRF WIN Streamlines the WIFIA Process

- **Established Process:** Allows state SRFs to use their existing process to bundle and prioritize drinking water and wastewater projects into a single application for funding through WIFIA.
- **Expedited Review:** Requires EPA to complete the review of an SRF application within 180 days.
- **Environmental Protection:** Allows states to use existing SRF environmental reviews to satisfy environmental compliance requirements.

SRF WIN Reduces and Alleviates Costs

- **Fees:** Eliminates WIFIA loan applications fees for SRFs.
- **Administration:** Allows SRFs to use WIFIA to cover reasonable costs of administration.
- **Loan Amounts:** Allows WIFIA loans up to 100% of project costs.

SRF WIN Expands Access to Low Interest Rates

- **Interest Rate:** Allows all SRFs to borrow money at the U.S. Treasury interest rate.
- **Discounted Interest Rate:** Allows SRFs who receive less than 2% of the Federal allocation to be eligible for a 20% discount on the U.S. Treasury interest rate. If there is not sufficient demand for loans at this discounted rate, allows the EPA Administrator to provide a discount up to 50% of the U.S. Treasury interest rate.
- **Equitable Allocation:** Allocates half of funding for loans at the U.S. Treasury interest rate and half of funding for loans at the discounted (80%) U.S. Treasury interest rate.

SRF WIN Stabilizes and Increases Funding

- **Funding:** Requires the SRFs and WIFIA to be funded at 2018 levels before funds are made available for SRF WIN.