



Support for SRFs, WIFIA, and State & Tribal Assistance Grants

Policy Summary

Safe drinking water and effective wastewater infrastructure financing is essential to public health, economic growth, environmental protection, and the states' ability to carry out delegated federal water programs. The Clean Water and Drinking Water State Revolving Funds (SRFs) remain the most effective and flexible tools for delivering federal water infrastructure assistance because states administer them, set priorities through intended use plans, and can target funding where it is needed most. SRF capitalization grants provided to states support critical funding for water infrastructure to communities. State and Tribal Assistance Grants (STAG) provide necessary funding to states to implement federally delegated Clean Water Act (CWA) and Safe Drinking Water Act (SDWA) programs. The Water Infrastructure Finance & Innovation Act (WIFIA) loans also play an important role for eligible projects, but they should complement, not displace, proven state-led programs.

The need remains substantial. EPA's most recent reports estimate over **\$630 billion** in clean water infrastructure and **\$625 billion** in drinking water infrastructure needs over the next twenty years.

Senate Committee of Jurisdiction

- Environment & Public Works

House Committees of Jurisdiction

- Energy & Commerce
- Transportation & Infrastructure

Relevant Appropriations Subcommittee

- Interior, Environment & Related Agencies

Relevant Federal Agency

- U.S. Environmental Protection Agency

WSWC urges Congress and the Administration to:

1. **Provide stable, adequate appropriations** for the Clean Water SRF, Drinking Water SRF, WIFIA, and State and Tribal Assistance Grants.
2. **Keep states in the lead** on identifying priorities and administering SRF assistance through intended use plans.
3. **Reduce burdensome and unnecessary federal restrictions** that limit flexibility, increase costs to states and funding recipients, slow project delivery, or make SRF assistance less effective.

The Western States Water Council (WSWC) is a government entity representing western state water agencies with members appointed by their respective governors. The WSWC's mission is to ensure that the West has an adequate, secure, and sustainable supply of water of suitable quality to meet its diverse economic and environmental needs now and in the future.

4. **Use WIFIA to supplement, not replace, SRF funding.**
5. **Protect State and Tribal Assistance Grants**, including Performance Partnership Grants, which support foundational CWA & SDWA programs, timely regulatory actions and reviews, technical assistance, source water protection, and related state program responsibilities.
6. **Avoid reductions to SRFs**, including through congressionally directed spending or other diversions, that reduce state capacity to support priority projects for communities and state program implementation.
7. **Support water workforce recruitment, training, and retention.** A growing wave of retirements and too few new workers threaten the staffing needed to operate and maintain water systems and protect public health and the environment.

Core Message

Federal water infrastructure policy should continue to support proven, state-led federal funding programs that address community needs; avoid policies and actions that reduce state efficiency and flexibility; and reliably sustain and strengthen the programs that help communities deliver safe drinking water and clean water services.

What WSWC Is Asking For

1. Maintain and strengthen appropriations for the Clean Water SRF, Drinking Water SRF, WIFIA, and STAG.
2. Preserve state authority to set priorities and manage SRF assistance.
3. Reduce federal mandates and restrictions that weaken SRF effectiveness.

4. Ensure new infrastructure initiatives, community investment projects, and Congressional spending priorities do not come at the expense of SRF capitalization grants.
5. Support workforce development needed to build, operate, and maintain water systems.

Closing Statement

WSWC supports a strong federal-state partnership to help communities build, repair, and maintain essential drinking water and wastewater infrastructure. Congress and the Administration should provide stable support for SRFs, WIFIA, and STAG, preserve state flexibility, and support the workforce needed to make these investments succeed.

Nothing in this position is intended to alter or affect the authority of western states over the allocation and administration of waters within their borders, the implementation of delegated or primacy programs under federal law, or the interpretation or application of any interstate compact, court decree, international treaty, tribal settlement agreement, or state water law.

Supporting Documentation

Why Federal Support Matters

States and communities depend on reliable drinking water and wastewater infrastructure financing to protect public health, support economic activity, and meet federal clean water and drinking water requirements. If the federal government expects states and communities to meet those obligations, it should provide dependable financial and technical support.

EPA's most recent national assessments estimate about **\$630.1 billion** in clean water and **\$625 billion** in drinking water infrastructure needs over the next twenty years. Those figures show the scale of the challenge and the continued need for strong federal-state partnership.

Why the SRFs, STAG, and WIFIA Matter

The Clean Water and Drinking Water State Revolving Funds are the backbone of federal water infrastructure assistance because they are state-administered, flexible, and built to provide recurring support for priority projects. They help finance planning, design, construction, rehabilitation, and replacement projects across a wide range of communities. The revolving nature of the funds increases state capacity over time. Using historical SRF appropriations for one-time congressionally-directed spending, while supportive of that individual project, diminishes the state capacity to meet a broad spectrum of community needs going forward.

State and Tribal Assistance Grants, including Performance Partnership Grants, remain essential to state implementation of drinking water and water quality programs, including primacy, technical assistance, source water protection, capacity development, and support for small, rural, and tribal communities.

WIFIA is a useful financing tool for very large projects, but it should supplement SRF capitalization grants rather than compete with them. There is no one-size-fits-all program, and the available programs and resources should complement each other in order to support projects at all scales for communities with varied capacities.

Why Flexibility Matters

Congress has added more conditions and directives to the SRFs over time. While many may be well intended, they can reduce flexibility, increase administrative burdens, raise costs, and divert funds from core infrastructure needs. Federal assistance should support the SRFs' primary purpose, not weaken it. Directed congressional spending can create the same problem by reducing funds available for state-identified priority projects and implementation.

Why Workforce Development Matters

EPA's recent water workforce report notes that one-third of water utility operators may be eligible for retirement within ten years, while only a small share of the workforce is under age 24. Without trained replacements and enough overlap for mentoring and knowledge transfer, utilities risk losing system-specific expertise needed to maintain infrastructure and protect public health and the environment.