

Investment in Water Infrastructure

Water infrastructure is critical to ensuring the health and safety of the public, environment, and economic growth in Texas and the nation.

Booming population growth is increasing demand for water infrastructure. According to the Texas State Water Plan, Texas' population is expected to grow 73 percent in the next 50 years, potentially exceeding some long-range planning estimates for water infrastructure.ⁱ

Texas' aging water infrastructure needs repair. According to a recent survey of water infrastructure needs, aging infrastructure is the largest driver of new capital projects, followed by population growth and regulatory compliance.ⁱⁱ Similarly, aging dams, 97% built prior to 1996 with 75% of the high hazard dams constructed prior to 1975, continue to need maintenance and rehabilitation while hazard classifications increase.ⁱⁱⁱ

Increased frequency of extreme weather events stress water infrastructure. The drought and flood cycle - common in Texas - can make the ground expand and contract around the pipes, breaking pipes and causing leaks. According to a recent survey, water main or line breaks is the number one priority for water infrastructure needs.^{iv} Flood waters carry contaminants into our drinking water sources, which can stress water treatment plants and overwhelm combined sewer-stormwater systems, sending a mixture of raw sewage and stormwater into rivers. These extreme weather events often expose a community's vulnerabilities in their infrastructure.

Small systems in Texas struggle more than other parts of the U.S. Sixty percent of public water systems in Texas serve populations of 500 or less.^v While 95% of Texas public drinking water meets federal standards, the majority of the water that does not meet standards is in small systems. Texas has the highest percentage of water systems with drinking water violations in the U.S..^{vi} Financial resources are the largest barrier to infrastructure improvements for small systems. Average ongoing infrastructure needs per residential connection are \$19,734 for a system with less than 100 connections, compared to \$2,503 for system with greater than 10,000 connections.^{vii}

Texas needs additional financial resources to address water infrastructure needs. Federal subsidized loans and grants can be a strong tool to incentivize communities to implement needed projects before a crisis.

Extensive, bureaucratic funding requirements keep systems from accessing needed resources. Many federal funding requirements are duplicative of state requirements and significantly add to the administrative cost of water infrastructure projects. As a result, many communities, especially smaller communities, delay or do not pursue their projects.

Requests for Congress:

- **Ensure sufficient, low-cost financing and funding options for water infrastructure projects.** Expand capacity and eligibility for key programs, such as State Revolving Funds, to facilitate availability of low-cost water infrastructure, including options for increased subsidies and grant options.
- **Reduce bureaucratic hurdles associated with federal water infrastructure funding.** Repeal various federal loan requirements that often duplicate state requirements, are unnecessary for water infrastructure projects or add cost to water infrastructure projects.^{viii}

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- ¹ "Texas 2022 State Water Plan." Texas Water Development Board. <https://www.twdb.texas.gov/waterplanning/swp/2022/index.asp>
- ¹ Texas Water Infrastructure Network 2022 Capital Needs Study. <https://txwin.org/wp-content/uploads/2022/12/TXWIN-CapitalNeedsSurvey-2022-7.pdf>
- ¹ American Society of Civil Engineers Texas Infrastructure Report Card. <https://texasasce/wp-content/uploads/2021.02.2021-Texas-Infrastructure-Report-Card.pdf>
- ¹ Texas Water Infrastructure Network 2022 Capital Needs Study. <https://txwin.org/wp-content/uploads/2022/12/TXWIN-CapitalNeedsSurvey-2022-7.pdf>
- ¹ "Improve Viability of Small Public Water Systems." Legislative Budget Board. 2019.
http://www.lbb.state.tx.us/Documents/Publications/Staff_Report/2019/5464_Water_Systems.pdf
- ¹ "Improve Viability of Small Public Water Systems." Legislative Budget Board. 2019.
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- ¹ "Improve Viability of Small Public Water Systems." Legislative Budget Board. 2019.
http://www.lbb.state.tx.us/Documents/Publications/Staff_Report/2019/5464_Water_Systems.pdf
- ¹ "More protection, less process." Council of Infrastructure Financing Authorities. https://d589cb58-d8ca-4feb-a9f3-c53a5a301572.filesusr.com/ugd/ce9ad4_ca054177970f4d0ebe7ef7429ae56df6.pdf