

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.ⁱ Due largely to this growth, water supply infrastructure needs in just the next 10 years exceed \$27 billion.ⁱⁱ
- Texas' aging water infrastructure is in need of repair.** Rising numbers of regulatory violations strain Texas' resources to maintaining its water infrastructure. From 2011 to 2016, boil water notices and sanitary sewer overflows increased 73% and 983% respectively., leading to major municipalities entering consent decrees with EPA.ⁱⁱⁱ 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.^{iv} The cost to rehabilitate all non-federal dams in Texas is estimated to be about \$5 billion.^v
- 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^{vi}. While 95% of Texas public drinking water meets federal drinking water 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..^{vii} 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.^{viii} Other rural or disadvantaged areas of Texas completely lack basic water infrastructure, such as running water and sewer systems, as well as the financial resources to pay for these systems.
- Increased frequency of flood events stresses water infrastructure.** 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. After Hurricane Harvey, the City of Houston estimated 60 percent of its drainage infrastructure needed repair, at a cost of approximately \$650 million.^{ix} The drought and flood cycle - common in Texas - can make the ground expand and contract around the pipes, breaking pipes and causing leaks.
- Texas needs additional financial resources to address water infrastructure needs.** According to the State Water Plan, Texas needs an estimated \$80 billion in water supply infrastructure over the next 50 years.^x The State Flood Assessment indicates Texas needs approximately \$31.5 billion in flood mitigation needs over the next 10 years.^{xi} Federal subsidized loans and grants can be a strong tool to incentivize communities to implement needed projects before a crisis.

Texas Water Infrastructure Ratings

Source: American Society of Civil Engineers¹

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|---------------------------|-----------|
| • <i>Water Treatment</i> | <i>C-</i> |
| • <i>Wastewater</i> | <i>D</i> |
| • <i>Flood Mitigation</i> | <i>C-</i> |
| • <i>Levees</i> | <i>D</i> |

- **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 to facilitate availability of low-cost water infrastructure.
- **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.^{xii}

ⁱ “Texas 2022 State Water Plan.” Texas Water Development Board. <https://www.twdb.texas.gov/waterplanning/swp/2022/index.asp>

ⁱⁱ “Texas 2022 State Water Plan.” Texas Water Development Board. <https://www.twdb.texas.gov/waterplanning/swp/2022/index.asp>

ⁱⁱⁱA Sapna Mulki, Sapna*, Carlos Rubinstein and Julianne Saletta. “Texas’ water quality challenge and the need for better communication in an era of increasing water quality contamination events.” Texas Water Resources Institute. Texas Water Journal, Volume 9, Number 1, October 24, 2018, Pages 108-119

^{iv} American Society of Civil Engineers Texas Infrastructure Report Card. <https://texasasce/wp-content/uploads/2021/02/2021-Texas-Infrastructure-Report-Card.pdf>

^v American Society of Civil Engineers Texas Infrastructure Report Card. <https://texasasce/wp-content/uploads/2021/02/2021-Texas-Infrastructure-Report-Card.pdf>

^{vi} “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

^{vii} “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

^{viii} “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

^{ix} Texas Comptroller of Public Accounts. 2018. A Storm to Remember: Hurricane Harvey and the Texas Economy, Fiscal Notes. Available at: <https://comptroller.texas.gov/economy/fiscal-notes/2018/special-edition/>

^x “Texas 2022 State Water Plan.” Texas Water Development Board. <https://www.twdb.texas.gov/waterplanning/swp/2022/index.asp>

^{xi} “State Flood Assessment” Texas Water Development Board. 2019. <https://texasfloodassessment.org/doc/State-Flood-Assessment-report-86th-Legislation.pdf>

^{xii} “More protection, less process.” Council of Infrastructure Financing Authorities. https://d589cb58-d8ca-4feb-a9f3-c53a5a301572.filesusr.com/ugd/ce9ad4_ca054177970f4d0ebe7ef7429ae56df6.pdf