

[Date]

[Name – See contact list for Senate EPW and House T&I water subcommittees [here](#)]

[Title]

[Address]

## **RE: Incentivizing and Investing in 21st Century Water Infrastructure for a Resilient Post-Pandemic Economy**

Dear [Name]:

As local and state governments like [Your City or State name] begin reopening and restarting their economies, and as Congress continues to discuss legislation in response to the COVID-19 crisis, I appreciate this opportunity to share three key recommendations for ensuring federal water infrastructure legislation fosters investments in innovative decentralized water management solutions with you.

- 1) Provide grants and zero-interest and principal-forgiveness loans for public water infrastructure, including specifically onsite decentralized water management strategies, that can catalyze near-term job opportunities.** As demonstrated by NLC, municipalities nationwide are being [decimated by the economic impacts](#) stemming from the COVID-19 crisis. Providing federal funding in the form of grants and zero-interest and principal-forgiveness loans would be a key incentive for local leaders looking to adopt more innovative technologies and less conventional but highly effective water management strategies.
- 2) Direct EPA to make SRF and WIFIA loans more easily available for water use efficiency, private lead service line replacements, and onsite reuse programs.** Consumer incentives—e.g. rebates and direct installations—are technically eligible for both programs but this is not widely perceived to be the case. Now is the time for EPA to issue guidance providing utilities with more flexibility to broaden the solutions to include these affordable and critically needed options for investment.
- 3) Expand income tax exclusions to include homeowners who receive rebates from water utilities to purchase and install water conservation or stormwater management systems, as set out in [H.R. 2313](#).** Consumer incentives are the primary vehicle most utilities use to implement affordable efficiency and stormwater management programs across their communities. Treating these rebates as taxable income undermines these programs, placing a large administrative burden on the utility and disincentivizing consumer participation. These types of rebates should be excluded from tax treatment in the same way that the tax code already excludes



rebates for energy efficiency measures.

Decentralized onsite water infrastructure has enormous potential to sustainably manage our water resources now and for future generations, while also fostering economic recovery for communities across the nation facing critical needs for jobs and renewal. Thank you for your consideration of these recommendations aimed at transforming the nation's water infrastructure to secure our water future.

Sincerely,  
[Your name here]

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