

WPUDA supports low-interest financing for water infrastructure



WPUDA supports funding for the “Water Infrastructure Finance and Innovation Authority” to assist local government investments in critical systems that provide essential services.

Ensuring clean and safe water services for communities

WPUDA wishes to express our gratitude to members of the delegation for support of the Water Resources Reform and Development Act, H.R. 3080, which authorized creation of a new pilot program offering low-interest financing to support investment in critical infrastructure. The Water Infrastructure Financing and Innovation Authority (WIFIA) program will allow state and local governments, including PUDs, to borrow at the Treasury rate to fund water and wastewater projects. Utilities may then repay the borrowed amounts plus interest to the Treasury, ensuring a near zero net cost to the Federal budget. WIFIA will help finance larger projects and help smaller projects, supplying new low-interest loan money to drinking-water and wastewater state revolving funds.

Water and wastewater services are vital services that must be reliable. Investments in infrastructure can be costly, yet affordability is as critical as reliability to the residents, businesses and industries served by these systems. WIFIA will allow for necessary investments in systems while minimizing the impact on customer rates.

WPUDA is pleased to see this new program authorized and urges members of the delegation to support a \$20 million appropriation from Congress to launch the pilot program and allow for the first round of financing to be distributed to local projects.

WIFIA offers positive ROI

- Water and wastewater systems have a strong record of near-zero defaults on loans, making WIFIA a safe investment of federal funds.
- AWWA (American Water Works Association) estimates that lowering the cost of borrowing by just 3% can result in a savings of 20% over the life of the loan.
- Every dollar spent on water infrastructure generates \$2.62 in the national economy.

WASHINGTON PUBLIC UTILITY DISTRICTS ASSOCIATION

WPUDA
YOUR connection

**212 Union Ave. SE, Suite #201
Olympia, WA 98501
Phone (360) 741-2675
Fax (360) 741-2686
www.wpuda.org**